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RENMIN RIBAO ON SOVIET, VIETNAMESE AGGRESSIONS

HK121409 Beijing RENMIN RIBAO in Chinese 12 Nov 81 p 6

[Short commentary: "Aggression Is Contrary to the Will of the People"]

[Text] According to a report, Afghan Brigadier General (Shazad Ahmad Zayi Wazeer) led his government troops to defect and seek political asylum in Pakistan. He also said that he would join the Afghan people's resistance movement to defeat the Soviet aggressors. Not long ago, puppet troops of the Phnom Penh regime stationed in Kompong Thom, Kampuchea rose up and used tanks and big guns in a 2-day attack against the Vietnamese aggressors in that country.

These two incidents demonstrate the truth that aggression is contrary to the will of the people. Afghanistan and Kampuchea have suffered from unprecedented calamity and their peoples have endured disaster as a result of the invasion of the Soviet Union and Vietnam. The invaders burn, kill and loot wherever they go. They not only use conventional weapons, but also biological and chemical weapons to kill people, trying to carry out genocide. This cannot be tolerated by those who have the slightest patriotic feeling or sense of justice and national integrity. Only a tiny number of people are willing to become puppets and lackeys of the enemies. All patriotic people will join the camp of resistance against the invaders.

Aggression is contrary to the will of the people. This is true in those countries that invaded as well as the aggressor nations. A great number of the Soviet officers and men realize that they were fooled and duped after they came to Afghanistan. They are in low spirits and many of them have become addicted to drugs. So far the Soviet Government has not dared to tell the Soviet people about the actual state of affairs in Afghanistan. The Vietnamese people strongly oppose Vietnam's invasion of Kampuchea. The fact that not long ago a Vietnamese serviceman named Lieu Thanh Luc escaped to China with his helicopter is illustrative of this.

The incidents which occurred in Afghanistan and Kampuchea also tell us that things are getting worse and worse with the Soviet and Vietnamese aggressors, whereas the Afghan and Kampuchean peoples who have withstood severe trials are making progress in their wars of resistance. Obviously, it is not the weapons which will determine the outcome of the war. Rather it is determined by the nature of the war and popular sympathy. This is a truth independent of man's will.

PRC STATES STAND ON KABUL REGIME AT FAO MEETING

OW122041 Beijing XINHUA in English 1834 GMT 12 Nov 81

[Text] Rome, November 12 (XINHUA) -- China will never accept the Soviet Union's military occupation of Afghanistan, a Chinese representative said Wednesday at a United Nations' Food and Agriculture Organization meeting.

Speaking at the second session of the General Steering Committee of FAO, Chinese representative Kong Candong said that permission given to Afghan representatives to attend the FAO conference should not be interpreted to mean the Chinese Government has given tacit consent to the status quo of Afghanistan brought about by the Soviet Union's military invasion of the country.

Kong made the statement after the Kabul regime in Afghanistan was permitted to send representatives to the FAO's 21st general assembly.

Kong's statement was included in the General Steering Committee's report adopted at today's plenary session.

HUANG HUA RECEIVES NEW FOREIGN AMBASSADORS

OW091431 Beijing XINHUA in English 1258 GMT 9 Nov 81

[Text] Beijing, November 9 (XINHUA) -- Huang Hua, vice-premier of the State Council and minister of foreign affairs, today met with nine new ambassadors to China at the Great Hall of the People.

They are Ecuadoran Ambassador Gonzalo Paredes Crespo, Syrian Ambassador Zakariya Shurayki, Tunisian Ambassador Ridha Bach-Baouab, Liberian Ambassador George Toe Washington, U.S. Ambassador Arthur William Hummel, Jr., Ugandan Ambassador George Paliel Ufoyuru, Somali Ambassador Sharif Salah Mohamed Ali, Guyanese Ambassador Ashik Artaf Mohamed, and Japanese Ambassador Yasue Katori.

In a conversation, Huang Hua expressed the hope that the new ambassadors would make contributions to developing bilateral relations with China during their tenures of office.

HUANG HUA MEETS WITH VISITING UN OFFICIALS

OW121732 Beijing XINHUA in English 1625 GMT 12 Nov 81

[Text] Beijing, November 12 (XINHUA) -- Huang Hua, vice-premier and minister of foreign affairs, met and had a friendly conversation here this afternoon with (Yash Pal), secretary general of the second U.N. conference on the exploration and peaceful uses of outer space, and his wife. Also present was (Jasentuleyana), high-ranking official of the Secretariat of the United Nations.

The second U.N. conference on the exploration and peaceful uses of outer space is to be convened in Vienna in August 1982.

WATER MANAGEMENT WORKSHOP CLOSES IN FUZHOU

OW101231 Beijing XINHUA in English 1221 GMT 10 Nov 81

[Text] Fuzhou, November 10 (XINHUA) -- Hikaru Tsutsui, senior officer of the United Nations Food and Agriculture Organization (FAO), proposed to establish an international technical center on the research of water pumping equipment in China at a 7-day international workshop on water lifting devices and water management that closed here yesterday.

The center is to engage in the research of applied technique of water pumping equipment, in the training of technical personnel and exchange of technical information, according to Hikaru Tsutsui. He said that China's experience might serve as an example for many Third World countries.

Specialists from mountainous Bhutan, Nepal and Burma praised China's turbine pumps that lift water to different heights, while those from Indonesia and the Philippines with extended coast lines found interest in tidal turbine pumps and wind mills used in China.

Hikaru Tsutsui suggested also to set up a few demonstration stations of water pumping equipment in some Third World countries to study and popularize China's techniques.

The workshop was sponsored by the FAO and the United Nations Development Program. While it was in session, Chinese and foreign experts investigated and studied Fujian-made traditional Chinese water pumping equipment and watched on-the-spot demonstration of the technique.

XINHUA COMMENTS ON WALL STREET JOURNAL EDITORIAL

HK111200 Beijing RENMIN RIBAO in Chinese 11 Nov 81 p 7

[Commentary by XINHUA correspondent Peng Di [1756 6611]: "Whim and Fantasy -- A Comment on the WALL STREET JOURNAL'S Article"]

[Text] The United States WALL STREET JOURNAL, on 3 November, again published an article urging the U.S. Government to "sell arms to Taiwan, the sooner the better." Otherwise, "peaceful reunification" will soon be "imposed" on Taiwan!

The article is the most bare-faced and outspoken attempt to goad the United States into using force to resist China's efforts for "peaceful reunification" since the nine-point principle on the peaceful settlement of the Taiwan problem was put forth by Chinese leaders. This has shown that the anti-Chinese forces in the United States are trying to impede or sabotage the cause of the peaceful reunification of China.

Like the authors of a few similar editorials in the WALL STREET JOURNAL, the author of this article always forgets (of course intentionally) the basic fact that Taiwan is China's territory, not the territory of the United States, and that China's reunification is a matter for the Chinese to decide and foreign countries have no right to interfere.

Earlier editorials and articles in the JOURNAL argued that the United States sold arms to Taiwan because it opposed the Chinese Government using force to liberate Taiwan. This is crude enough interference in China's internal affairs. It is really outrageous! The author of this article surpasses others in insolence by opposing peaceful reunification. Despite the fact that China needs peaceful reunification, he feels it incumbent upon himself to urge the U.S. Government to act without delay in the sale of arms to Taiwan so that the Taiwan authorities may counter the peace approach with force. This extraordinary proposition sheds a revealing light on the hegemonic mentality of some people in the United States. It also brings home the almost instinctive fear in these people touched off by the prospects of the peaceful settlement of the Taiwan question.

Why should the United States arm Taiwan so hurriedly? The article states, "It would be in the interest of the United States to supply Taiwan with the weapons it needs."

This statement is commendably honest. According to this principle, the United States can do anything, fair or foul, to further its own interest. The U.S. Government has recognized the central government in Beijing as the sole legitimate government of China and Taiwan as part of China's territory. Yet, it insists on taking Taiwan as a political entity and continues to supply it with arms. The motive, to put it plainly, is to serve its shameful interests by trying to create "one China and one Taiwan," or to have "a mainland China" and "a Republic of China" as the author plainly calls them. This has proved that there do exist in the United States people who believe in their own power politics to the exclusion of others' sovereignty.

The article also says: "In a high-pressure diplomatic campaign, the Beijing government is trying to force the Reagan administration to renounce further arms sales to Taiwan."

The word "high pressure" is wonderfully used. Now the question is: Who is exerting the pressure? Who intervened in the Chinese civil war by propping up one side and pressuring the other for dozens of years? And who now wants to keep up this pressure by relying on the so-called FX planes and other things to keep China divided? No sovereign country in the world can continue to tolerate this pressure. It is high time to put an end to this.

This article differs from other similar articles and editorials in that the others, as a rule, invoke an act of the United States -- the "Taiwan Relations Act" -- to intimidate people. Although this author does flaunt it, he does not think highly of it. It is perhaps because he knows that this act is not tenable at all. Therefore, he simply throws this "treasured object" away. He says that without the act, the United States can just as well sell arms to Taiwan to prevent "peaceful reunification" from being imposed on the island. This is the height of insolence!

The latter half of the WALL STREET JOURNAL's article is even more ridiculous, saying: "Vietnam, supported by the Soviet Union can become the most useful anti-Chinese protective screen." The author goes so far as to give counsel and incite Southeast Asian nations to go and seek refuge with the Soviet Union. Although he talks in a roundabout way, he unwittingly reveals his intention; he makes people suddenly realize what his real intention is. The invasion and expansion carried out by the Soviet Union and Vietnam in Southeast Asia are supported, behind the scenes, by some Americans who oppose China. No wonder the Soviet Union and Vietnam are swollen with arrogance.

The article ends on a truly comical note. The author says: "If Washington is resolute in fulfilling its commitment to Taiwan," (that is, if Washington insists on interfering in China's internal affairs,) the Chinese leaders will recognize that this very act is proof of American "reliability" to deal with the Soviet threat and that what China needs is precisely such a "reliable partner." This is utterly absurd and is ridiculous enough to make people laugh their heads off.

China has the courage and stamina to stand up to any foreign threat. It will never become subservient or slavishly depend on a "reliable partner" who rides roughshod over the Chinese people. It may be that the article in the WALL STREET JOURNAL is but the whim or fantasy of an individual American. Should the United States actually choose to prove its "reliability" by persisting in interfering in China's internal affairs as the author suggests, well, China will have no alternative but to pull itself back from this "reliable" partner.

STOESSEL COMMENTS ON TALKS WITH PRC OFFICIALS

OW121738 Beijing XINHUA in English 1511 GMT 12 Nov 81

[Text] Beijing, November 12 (XINHUA) -- U.S. Under Secretary of State for Political Affairs Walter Stoessel said here today that he and Chinese officials "have found in general a remarkable compatibility of views" on issues of mutual interest in the talks held in the past two days. The talks covered all of the major areas in the world including Europe, the Middle East, Africa, Central America and Southeast Asia, he added.

He said that his trip to Beijing is part of regular exchange of views between the two countries. "We also discussed with Vice-Foreign Minister Zhang Wenjin the idea of expanding our discussions in the future, carrying them on at the expert level between representatives of foreign offices in the two countries on a regular basis so as to get into more detailed discussions," he said. Asked about the Kampuchean issue, the under secretary said, "It was discussed in some detail and we both gave our views on the situation and indicated our interest in and support for the formation of a coalition."

On the Saudi Arabian peace proposal, Stoessel said, "We had a very full discussion on the situation in the Middle East and the peace process and they (the Chinese) did express interest in and positive attitude towards the eight-point Saudi proposal." He added that the Chinese side did not urge him in so many words to support the proposal.

He told Chinese and foreign reporters that he and Chinese officials did not discuss U.S. arms sales to Taiwan as a specific question. "It was only touched in passing," he said.

When asked about the Chinese Government's statement about the possibility of significantly lowering the level of relationship in case of arms sale to Taiwan, Stoessel said: "We have noted those statements that have been made by Chinese officials. But we have no particular comment on them."

CPPCC DELEGATION ENDS U.S. VISIT, DEPARTS

OW122015 Beijing XINHUA in English 1853 GMT 12 Nov 81

[Text] New York, November 12 (XINHUA) -- The 11-member delegation of the National Committee of the Chinese People's Political Consultative Conference left here this morning for home after a 16-day tour of four American cities.

The delegation, headed by Wang Shoudao, vice-chairman of CPPCC National Committee and member of the Central Committee of the Chinese Communist Party, arrived in New York on November 8 from Washington. During its stay here, it met with Mayor of the New York City Edward Koch. It visited the United Nations, New York Stock Exchange, the Federal Reserve Bank, the Metropolitan Museum of Art and watched a ballet performance.

Seeing the delegation off at the airport were Arthur Rosen, president of the National Committee on U.S.-China Relations, Chinese Ambassador to the United States Chai Zemin, Chinese Permanent Representative to the United Nations Ling O'ng and others.

COMMENTARY ON USSR OFFER TO REDUCE MISSILES

OW121421 Beijing XINHUA Domestic Service in Chinese 1600 GMT 11 Nov 81

[XINHUA reporter's commentary: "What Does the Soviet Union's So-Called 'Substantial Reduction' of Medium-Range Nuclear Weapons Imply?"]

[Text] Beijing, 11 Nov (XINHUA) -- Moscow recently stated more than once that if the NATO countries accept certain conditions, the Soviet Union is "willing to reduce" the number of its medium-range nuclear weapons targeted at Western Europe.

In his recent interview with the West German weekly DER SPIEGEL, Soviet leader Brezhnev reiterated: "If the United States takes a wise stand by dropping its plan to deploy NATO's new nuclear guided missiles, we shall be prepared to reduce the aggregate number of Soviet guided missiles." He added: "We will reach an agreement on rather substantial reductions of the number of guided missiles by both sides." The same offer was repeated by Soviet Defense Minister Ustinov in his report marking the 64th anniversary of the October Revolution.

At first glance, this seems to be a new concession. Over a long period of time after NATO made the decision on strengthening its nuclear force in the European theater in December 1979, Moscow avoided negotiating with the West about the issue of reducing the number of medium-range nuclear weapons in Europe. At first, Moscow completely refused to negotiate. Later, Moscow agreed to negotiate, but simply proposed a "moratorium" and "freeze" of the status quo. Now Moscow agrees to hold talks on the question of "reducing the number" of guided missiles, and this is undeniably a change in the previous Soviet stance. However, having given some thought to what the Soviet authorities have done and how they consistently have stood on the issue, one tends to find that there is a lot behind all this.

The simple question is: What types of guided missiles is the Kremlin "willing to reduce" and how many? What will happen to those missiles that will be moved out? What do the "conditions" imply?

It goes without saying that Soviet medium-range nuclear guided missiles vary in quality. For instance, the outmoded SS-4 and SS-5 with shorter ranges and less accuracy have gradually been replaced by SS-20 mobile missiles equipped with multiple warheads which can hit any corner of Western Europe from the western part of the Soviet Union. Brezhnev said "for each new guided missile installed, one or two old ones will be moved out," and therefore their "aggregate number will be reduced." Whether his words are true or not, one thing is certain: the new guided missiles are much better than the old ones. If this "reduction" is carried out, the total number of Soviet missiles may be less but Moscow's nuclear strike force will actually be greater. Now, to call this replacement of old and inferior missiles with new and superior ones a "reduction" of nuclear weapons and to suggest that this "reduction" reflects sincerity in controlling medium-range nuclear weapons in Europe is nothing but a big hoax aimed at deceiving the public to gain fame for oneself.

Obviously, in present-day Europe, now bristling with missiles, a token "reduction" in their number is of little significance.

Now the Soviet leader waves the olive branch by offering "substantial reduction" while stressing that reduction must be "mutual" and "equal." This principle of "equal" reduction has sparked a fierce dispute with the NATO countries, as estimates of the relative nuclear strengths of the East and the West vary greatly. With regard to the criteria for reduction, different parties have different demands. Moscow has repeatedly trumpeted that the present nuclear strengths in Europe of the East and the West are "generally on a par." It says that each side has nearly 1,000 missiles and denies that the Soviet Union has the upper hand. According to the latest detailed list cited by Brezhnev, the Soviet Union has 975 medium-range weapons and NATO has 986. He concluded it is the Soviet Union, not NATO, which should raise the question of "arms replenishment."

However, NATO has pointed out that the SS-20 missiles are a new generation of missiles. By deploying these missiles, the Soviet Union gained the upper hand in theater nuclear weapons as early as several years ago. It was precisely for the purpose of dealing with the menace of Soviet SS-20 missiles that NATO, at a meeting in December 1979, decided to start to deploy 572 Pershing II and cruise missiles in Western Europe in 1983. When NATO made that decision, the Soviet Union had about 160 SS-20 missiles; now the number has increased to more than 250 and is still increasing at the speed of one per week. At present, the West has no weapons in its deployment to match the SS-20 missiles. In fact, in the past 2 years the disparity between the two sides as regards these weapons is still growing. Under the present circumstances, where NATO still has to deploy a new generation of missiles, a "moratorium" in their deployment, "equal," "reduction" or "substantial reduction" would only serve to secure the Soviet superiority, as long as such weapons are not completely moved out. This Soviet superiority could also be fixed by an agreement reached by both sides.

Moreover, it is worth noting that Moscow made its offer on the condition that NATO rescind its December 1979 decision on the deployment of new missiles. According to Brezhnev's explanation, cancellation of this decision would be rewarded only with a "moratorium" in the deployment of more SS-20's. And NATO would have to accept harsher conditions if it wants a "reduction" in the number of these Soviet missiles already deployed.

It should also be pointed out that the Soviet leader talked only about "reduction" of the number of medium-range nuclear weapons in Europe, but not about their "destruction." This means that Moscow can easily play a "hide and seek" game with guided missiles in the future. Any layman knows that with their high mobility, SS-20's even if removed from the western part of the Soviet Union to the Urals or east of the Urals, could be quickly brought back whenever necessary. Furthermore, with their range, they can hit a number of West European countries even if they are "hidden" east of the Urals. Therefore, it is clear that by regarding the removal of these missiles as a "reduction" in the number of nuclear weapons, only some suckers would be deceived but this would mean very little to European peace.

At present both the Soviet Union and the United States are making preparations for the Geneva talks for control of medium-range nuclear weapons in Europe, which will begin at the end of this month. Meanwhile, public opposition to nuclear armament and demands for nuclear disarmament are gaining momentum in Western Europe. Viewed in this context, the Soviet proposal for "substantial reduction" must be taken with a grain of salt. It is more a propaganda stunt than a move made in good faith "for the success of the Geneva talks" as Brezhnev professed. It is quite obviously designed to inflame the anti-American sentiments in Western Europe, drive a wedge into the alliance of the West and undermine the U.S. position in the coming talks.

As to whether the Soviet Union is really prepared to "reduce" or "substantially reduce" the number of its medium-range nuclear weapons, one can take the wisest attitude by following a "wait-and-see" policy.

FRENCH TRADE MINISTER JOBERT ENDS VISIT

OW110901 Beijing Domestic Service in Mandarin 1600 GMT 10 Nov 81

[Text] French Minister of State for External Trade Jobert and his party left Beijing by plane for home this evening after winding up their visit to China. They were seen off at the airport by Chinese Foreign Trade Minister Zheng Tuobin and other officials.

PRC PARIS EMBASSY CLARIFIES LI'S REEDUCATION

OW121232 Beijing XINHUA in English 1215 GMT 12 Nov 81

[Text] Paris, November 11 (XINHUA) -- The Chinese Embassy in France in a statement today made clarifications about the Chinese authorities' recent decision to subject Li Shuang, a Chinese woman citizen, to reeducation through labour. The statement stressed that it is entirely just and proper for China, a sovereign state, to handle Li Shuang's case according to Chinese law.

Li Shuang was subjected to reeducation through labour by the Chinese authorities recently for violation of Chinese law. But some French newspapers carried reports today misrepresenting the case. They attributed China's decision to her love for and planned marriage with Emmanuel Bellefroid, a former diplomat of the French Embassy in China.

The Chinese Embassy statement, issued by its information office, noted, "Chinese woman citizen Li Shuang, having violated Chinese law, has been subjected to two years' reeducation through labour by a Chinese judicial organ according to judicial procedure. Reeducation through labour is not a penalty in its proper sense, but a form of education having a character of force."

The statement pointed out, "The problem is not a problem of marriage between Li Shuang and Emmanuel Bellefroid as someone said, but her violation of the Chinese law. We have no objection to a legitimate marriage between a Chinese citizen and a foreigner. We can give lots of evidence in this connection. As recently as last month, diplomat of the French Embassy in Beijing Christian Galliano got married with Chinese girl Zhao Jiang.

The statement said, "It is entirely proper for China, a sovereign state, to handle the violation of law by Li Shuang according to Chinese law. It has nothing to do with the relations between China and France. We are sure that our French friends will and can understand China's handling of this purely internal affair."

EEC DELEGATION ARRIVES 10 NOV FOR TALKS

OW101757 Beijing XINHUA in English 1507 GMT 10 Nov 81

[Text] Beijing, November 10 (XINHUA) -- A European Economic Community delegation led by Sir Roy Denman, director-general for EEC external relations, arrived here today to attend the third session of the China-EEC joint trade committee.

The joint trade committee was set up under a 1978 trade agreement between the two sides, to examine implementation of the agreement, discuss how to solve bilateral trade problems and propose suggestions for trade expansion.

The delegation will also exchange views on political and economic relations with the Chinese Ministry of Foreign Affairs, the Administrative Commission on Import and Export and Export Affairs and the Ministry of Foreign Trade.

DENG XIAOPING MEETS YUGOSLAV CORRESPONDENT

OW130720 Beijing XINHUA in English 0712 GMT 13 Nov 81

[Text] Beijing, November 13 (XINHUA) -- Deng Xiaoping, vice-chairman of the Central Committee of the Chinese Communist Party, met and had a conversation here this morning with Dara Janekovic, noted Yugoslav correspondent who is visiting China. Chinese Vice-Foreign Minister Zhong Xidong was present.

CHANGCHUN, NOVI SAD IN SFRY BECOME SISTER CITIES

OW101843 Beijing XINHUA in English 1836 GMT 10 Nov 81

[Text] Belgrade, November 10 (XINHUA) -- Changchun, the capital of northeast China's Jilin Province, today became the sister city of Novi Sad, the capital of Yugoslavia's Vojvodina Autonomous Province.

Feng Yingkui, mayor of Changchun, and Javan Dejanovic, president of the Novi Sad City Assembly, signed a document today in Novi Sad to proclaim the sistership, the fifth between China and Yugoslavia. The other four pairs of sister cities are Beijing and Belgrade, Shanghai and Zagreb, Tianjin and Sarajevo, and Chengdu and Ljubljana.

Feng and the Chinese delegation from Changchun city arrived here on Nov 4.

ALBANIAN LABOR PARTY CONGRESS CLOSES 7 NOV

OW080748 Beijing XINHUA in English 0712 GMT 8 Nov 81

[Text] Beijing, November 8 (XINHUA) -- The eighth congress of the Albanian Party of Labour closed on November 7 in Tirana, according to the Albanian news agency ATA. The congress showed that Albania would continue with its present domestic and foreign policies. At the opening meeting on November 1, Enver Hoxha, first secretary of the Central Committee of the party, made a report on the work of the party's Central Committee. Mehmet Shehu, member of the Political Bureau of the party Central Committee and chairman of the Council of Ministers of Albania, made a report on the party's instructions on the seventh five-year (1981-1985) plan for economic and cultural development of Albania.

A new Central Committee was elected with no great changes of portfolios. Enver Hoxha was reelected the party's first secretary.

RENMIN RIBAO COMMENTS ON RIYADH MEETING

HK131025 Beijing RENMIN RIBAO in Chinese 13 Nov 81 p 6

[Short commentary: "Advance Mideast Peace Through Unity and Cooperation"]

[Text] The Gulf Cooperation Council formed by six countries in the Gulf region held its second summit in Riyadh, capital of Saudi Arabia, on 10 and 11 November. The meeting unanimously agreed to submit the eight-point proposal put forth by Saudi Arabia for realizing Middle East peace to the 25 November Arab summit for examination and approval, and to work out a common strategy for economic cooperation among the member states and for security in the Gulf area. This meeting contributed to the promotion of peace and stability in the Middle East, but also has positive significance in strengthening the solidarity, cooperation and economic development of the Gulf countries.

This summit was convened at a time when suble changes are taking place in the Middle East situation. As the Saudi eight-point proposal was receiving increasing support from the international community, the Israeli authorities stubbornly voiced their opposition. They even resorted to provocations, such as sending planes to intrude into the airspace of Saudi Arabia and other countries, threatening to invade Lebanon and refusing to return the Sinai Peninsula to Egypt, in order to bring pressure to bear on the Arab countries and to cause the United States to waver in its attitude toward the Saudi plan. Under such circumstances, the six Gulf countries pledged their resolute support for the Saudi proposal. They also decided to submit this proposal to the Arab summit, thus setting an example for the Arab countries in closing their ranks against the enemy. No doubt this will enhance the importance of the Saudi proposal and will have a great impact on the fair and reasonable solution of the Middle East question.

The meeting also ratified an important economic agreement which involved the abolition of tariffs between member states, the coordination of trading policies and the mapping out of policies regarding joint investments. This shows that the six-nation economic cooperation council has taken a giant step toward setting up a Gulf economic community. The six Gulf countries are rich in petroleum and financial resources. Their efforts to strengthen cooperation and promote further economic prosperity are of great importance to safeguarding the political independence of the Gulf countries.

It is the objective of the Gulf Cooperation Council to work jointly to safeguard peace and stability in the Gulf area, oppose superpower intervention in the affairs of the region and promote the economic progress of the member states. The achievements made in this six-nation summit are further proof that unity and cooperation are an invaluable asset of the Arab countries in fighting superpower hegemonism and Israeli expansionism.

XINHUA HITS ISRAEL'S 'CAMPAIGN OF OBSTRUCTION'

OW110130 Beijing XINHUA in English 0348 GMT 11 Nov 81

["Commentary: Stop Israeli Sabotage by XINHUA Correspondent Mei Zhenmin" -- XINHUA headline]

[Text] Beijing, November 11 (XINHUA) -- Israeli jet fighters reportedly violated Saudi Arabian air space Monday as the international community is preparing a drive to solve the Middle East problem and after Israeli Defense Ministry Avi'el Shרון hinted publicly Israeli readiness to take hostile actions against Saudi Arabia.

Since last July developments in the Middle East raised hopes for peace in the region. The ceasefire in southern Lebanon reached July 28 between Israel and the Palestine Liberation Organization helped reduce tension in the Middle East.

The Saudi eight-point peace proposal submitted to Crown Prince Fahd in August provided a comprehensive and fair solution to the conflict between Israel and Arab nations.

The European Economic Community and many U.S. personages support the proposal, but the Israeli parliament adopted a resolution opposing it.

Israeli Prime Minister Menahem Begin said Monday that "those who imagine that the European or Saudi initiatives for a settlement in the Middle East have the slightest chance of success are making a big mistake."

Begin said Israel has gone to "the absolute limit of concession and there will be no further concessions. Autonomy is all Israel will offer to Palestinians in the occupied West Bank and Gaza." Israeli authorities accused the PLO of violation of the ceasefire to prepare public opinion for a new attack on southern Lebanon.

Israel has been threatening Saudi Arabia by displaying its military force. Israel appears to be creating incidents to poison the atmosphere and to block peace in the Middle East. Its attack is not only directed toward Saudi Arabia but also toward other countries wishing peace in the Middle East.

The Middle East is at a crossroads. One road that could be taken is for Middle East countries to realize peaceful coexistence and concentrate on economic construction.

Another road is to let Israel do whatever it pleases further intensifying tension in the Middle East and allowing hegemonists to take advantage of the situation and possibly lead the region into bigger conflicts.

With the Saudi Arabian peace proposal, peace negotiations have finally reached a point where they can begin. Israel, however, must be made to end its campaign of obstruction. The arrogance of the Begin regime is inseparable from U.S. tolerance and its ambiguous stand on Saudi proposal. It is high time that the United States take measures to hold Israel, dubbed by some Americans as the "spoiled child" of the U.S.

DELEGATION ATTENDS BAGHDAD WOMEN'S CONFERENCE

OW051736 Beijing XINHUA in English 1621 GMT 5 Nov 81

[Text] Baghdad, November 4 (XINHUA) — A delegation from the All-China Women's Federation attended the ninth session of the Arab Women's General Federation held here from Oct 31 to Nov 4.

Speaking at the session, delegation leader Guan Minqian said the federation condemns the superpowers' rivalry and expansion in the Middle East which occurs at the expense of the Palestinian and Arab people.

"We have always watched with happy feelings the encouraging achievements made by the Arab women in the construction of their motherlands and in the development of national economy and culture," Guan Minqian said. "We have also gladly observed that women's organizations in Arab countries have done much useful work to promote women's status and protect the interests of women and children."

The All-China Women's Federation delegation signed an agreement with the Iraqi Women's General Federation to strengthen friendship and develop bilateral relations between women of the two countries.

The Chinese delegation arrived in Baghdad Oct 29 and will leave here tomorrow.

ZAIRE EXECUTIVE COUNCIL DELEGATION ARRIVES

OW121600 Beijing XINHUA in English 1519 GMT 12 Nov 81

[Text] Beijing, November 12 (XINHUA) -- A delegation from the Executive Council of the Republic of Zaire led by (Lengema Dulia Yubasa Makanga), secretary of state for international cooperation of the Department of Foreign Affairs and International Cooperation, arrived here this morning on a friendly visit to China.

WAN LI MEETS WITH CANADIAN BANK CHAIRMAN

OW111628 Beijing XINHUA in English 1535 GMT 11 Nov 81

[Text] Beijing, November 11 (XINHUA) -- Vice-Premier Wan Li met with Rowland C. Frazee, chairman of the Royal Bank of Canada, and his party at the Great Hall of the People here this afternoon.

Vice-Premier Wan congratulated the Canadian guests for the establishment of the bank's representative office in Beijing, which is scheduled to open tomorrow, and said he looked forward to further development of Chinese-Canadian economic and trade relations.

Chairman Frazee said the establishment of the bank's representative office in Beijing would help promote economic and trade relations and trade balance between the two countries. The chairman said his bank will present China with a total of 5,000 spruce seedlings to coincide with China's sixth five-year plan. The Chinese vice-premier thanked him for the gift.

Present at the meeting were Chang Yanqing, acting chairman of the board of directors of the Bank of China; Ma Yuhuai, vice-minister of agriculture; and Michel Gauvin, Canadian ambassador to China.

Chairman Frazee arrived here yesterday to officiate at the opening of the bank's representative office and to visit the country.

TRADE DELEGATION DEPARTS FOR MEXICO, CHILE

OW071622 Beijing XINHUA in English 1538 GMT 7 Nov 81

[Text] Beijing, November 7 (XINHUA) -- A Chinese Government trade delegation led by Wang Runsheng, vice-minister of foreign trade, left here by air today on visits to Mexico and Chile.

EDUCATION DELEGATION MEETS VENEZUELAN PRESIDENT

OW081244 Beijing XINHUA in English 1204 GMT 8 Nov 81

[Text] Caracas, November 7 (XINHUA) -- Venezuelan President Luis Herrera Campins today said that education was of great importance to the future of Venezuela, Latin America and the whole world while receiving a Chinese education delegation. The president, who returned to Caracas yesterday from a state visit to China and India, said he was greatly impressed by the way China was using television as a means of education. He expressed satisfaction over the recent China visit and noted that the newly signed agreements on cultural, scientific and technological cooperation between Venezuela and China would further promote friendly exchanges between the two countries.

The Chinese education delegation headed by Vice-Minister of Education Zhou Lin arrived in Venezuela on October 29.

Concludes Visit

OW110731 Beijing XINHUA in English 0721 GMT 11 Nov 81

[Text] Caracas, November 10 (XINHUA) -- The Chinese education delegation led by Zhou Lin, vice-minister of education, left here for home yesterday. Venezuelan President Luis Herrera Campins met the delegation on November 7.

During their stay here, the Chinese educationists exchanged views on education with their Venezuelan colleagues. The delegation arrived here on October 29 following their visit to Mexico. It is the first high-ranking Chinese education delegation to visit Venezuela.

PARTY, STATE LEADERS MARK SUN YAT-SEN BIRTHDAY

OW130603 Beijing XINHUA Domestic Service in Chinese 1649 GMT 12 Nov 81

[Text] Beijing, 12 Nov (XINHUA) -- People from all walks of life in Beijing gathered at a ceremony this morning at the Zhongshan Hall in the Zhongshan Park to mark the 115th birthday of Mr Sun Yat-sen.

Xu Deheng, vice chairman of the NPC Standing Committee, presided over the commemorative ceremony. Among the participants at the ceremony were party and state leaders Li Xiannian, Xu Xiangqian, Ngapoi Ngawang Jigme, Hu Juewen, Yang Shangkun, Ji Pengfei and Yang Jingren; and Vice Chairmen of the CPPCC National Committee Liu Lantao, Lu Dingyi, Kang Keking, Hu Ziang, Rong Yiren, Hu Yuzhi, Wang Kunlun, He Changgong, Yang Xiufeng, Burhan, Zhou Peiyuan and Qian Changzhao.

A portrait of Mr Sun Yat-sen hung in the memorial hall where the people from all walks of life stood in silent tribute. The following individuals placed baskets of flowers before a portrait of Mr Sun Yat-sen: Hu Juewen, on behalf of the NPC Standing Committee; Ji Pengfei, on behalf of the State Council; Hu Ziang, on behalf of the CPPCC National Committee; Wang Kunlun, on behalf of the Central Committee of the Kuomintang Revolutionary Committee; Luo Qingchang, on behalf of Deng Yingchao; Yang Yindong, on behalf of Liao Chengzhi; Liu Lantao, on behalf of the United Front Work Department of the CCP Central Committee; and Lei Jieqiong, on behalf of the Beijing municipal people's government. Those present bowed three times to the portrait.

The people from all walks of life who attended the ceremony included: Liu Fei, Qu Wu, Zhu Xuefan, Li Shizhang, Zheng Dongguo, Gan Cisen, Li Wenyi, Sun Qimeng, Sun Xiaogun, Zhou Shiguang, Pu Jiexiu, Zhao Puchu, Yan Xinmin, Xu Binru, Wu Chan, Pan Shu [3382 5486], Jin Shanbao, Wang Zhuxi, Sun Chengpei, Li Chunqing, Su Ziheng, Wu Xuezhi, Lin Liyun, Du Xingyuan, Zhang Zhiyi, Li Gui, Fang Zhida, Peng Youjin, Nie Zhen, Jiao Ruoyu, Wang Guanlan, Bei Shizang, Xu Jie, Zhang Wenyu, Chen Yisong, Yuan Renyuan, Dong Qiwu, Wang Li, Wang Kejun, Wang Xueying, Wen Zhengyi, Fang Zhongru, Ye Daoying, Liu Ningyi, Liu Yaxiong, Guan Ruiwu, An Shiwei, Li Li, Li Tiezheng, Li Shuying, Yang Dongsheng, Wu Huanxing, Zhang Xiaolian, Zhang Hanying, Chen Weiji, Yi Lirong, Luo Qiong, Jin Cheng, Zhao Junmai, Zhao Zongao, Hu Jiabin, Zhong Shuaitong, Qian Weichang, Qian Duansheng, Xu Yiqiao, Xu Chubo, Huang Wei, Zhang Yibai, Liang Shuming, Han Ying, Han Youtong, Cheng Siyuan, Jian Xianren, Lin Lanying, Liu Yisheng, A-pei Cai-dan-zhuo-ga, Ai-xin-jue-luo Fu-jie, Qian Jiaju, Ye Duyi, Zhang Qiaose, Zhang Pilai, Lin Hengyuan, Luo Hanxian, He Lin, Gao Tian, Wang Kenzhong, Wu Gengmei, Zhong Fuguang, Huang Liangchen, Zhang Yuanshan, Wu Shichang, Qian Renyuan, Zeng Shiyang, Zhang Mingyang, Zheng Xiaoxun, Ge Zhicheng, Wang Yifan, Fang Rongxin, Li Wenping, Cuo Xiuyi, Jin Kemu, Huang Zi, Xue Yu, Xu Mengshan, Jing Shuping, Huang Jieran, Tang Peisong, Peng Huanwu, Cheng Yuqi, Xie Jiaze, Cai Banghua, Chen Daisun, Ling Qihan, Li Mei, Lian Guan, Zhang Chukun, Liu Pinyi, Ju Zan, Yan Jiale, Ma Songting, Shen Congwen, Song Weibin, Zhang Shenfu, Zhao Zili, Ni Zhengao, Guo Yiqing, Zhao Mingzhe, Liu Yi, Chen Xiuhua, Li Qizhong, Li Yiping, Yang Yuqing, Liu Renshu, Kang Boying, Liu Chunfang, Yu Zhanbang, Wan Meizi, Zhang Zhixing [1728 4249 5887], Wang Shizhou, Pan Zhuqi, Sun Mofo, Zou Yunzhen, Ding Youzeng, Zhong Lujian, Zhang Boju, Wang Yizhi, Huang Juntan, Zhu Haibei, Zhang Ke, Liu Chunhai, Gao Junfeng, Cao Siwu, Geng Youlin, Liang Rongruo, Yang Ximei, Tang Honglie, Ma Bi [7456 3880], Liu Wufei, Sheng Cijun, Gong Binruo, Lin Lingyu, Zhou Zhenqiang, Du Jianshi, Wen Qiang, Dong Yisan, Luo Lirong, Li Yikuang, Yang Botao, Zheng Tingji, Fang Jing, Shen Zui, Chen Zijian, Wang Feng [3769 2800], Wang Jiazhen, Wang Jingru, Liu Yaozhang, Xu Baokui, Xu Wentian, Sun Yueqi, Li Jue, Li Pingheng, He Zhuguo, He Siyuan, Wu Xiufeng, Zhang Xueming, Chen Jianchen, Chen Mingde, Shao Hengqiu, Zong Zhifa, Zhou Ying, Luo Jiezi, Huang Xiang, Chen Xiaocen, Qin Yizhi [6009 8381 0037], Jiao Zhizhai, Liao Yunzhou, Shen Qiuwo, Wang Yanting, Fang Xianxu, Ning Guangkun, Liu Jiaying, Shen Xingyuan, Zhang Fengzhou, Zhang Lianyun, Chen Erdong, Yan Mingyi, Zhang Suwo, Hou Jingru, Ye Gongshao, Liao Mosha, Luo Qing, Xia Xiang, Lin Tong, Su Congzhou, Lu Zongda, Sun Fuling, Ding Gongnan, Du Ruo, Shi Linfeng, Li Shu, Wu Weicheng, Fu Chuankui, Zhang Bo, Fu Xuewen, Hu Jieqing, Wu Yixiu, Zhang Keming, Li Wenlan, Guan Shixiong, Wang Jinding, Shen Fan, Tao Dayong, Mo Yichang, Tang Shaoyuan, Wang Minsheng, Ni Jiaxi, Chang Mengqu, Mao Zhifen, Bian Shenwu, Fan Zhifu, Xie Ying, Wang Qixian, Li Jiansheng, Li Yi, Hu Zhibin, Chen Mingshao, Guo Zuyuan, Chen Bingji, Wei Zhengming, Chen Musen, Chen Dingmao, Liu Jinhan, and Situ Qing.

Ye Nan [0673 0589], an American citizen of Chinese ancestry currently in Beijing also attended the ceremony.

A documentary film entitled "A Historical Commemoration" was shown at the CPPCC auditorium following the ceremony.

ZHAO YANG PREPARING FOR LITERATURE CONFERENCE

OW110723 Beijing XINHUA in English 0708 GMT 11 Nov 81

[Text] Beijing, November 11 (XINHUA) -- China will hold a national conference on literature and art in the first half of 1982, according to a decision of the Propaganda Department of the Communist Party Central Committee.

An 11-member preparatory committee for the conference has been set up. It is headed by Zhou Yang. The deputy heads are Zhao Shouyi and He Jingzhi. Members include leaders of the Ministry of Culture, the China Federation of Literary and Art Circles, and the cultural department of the People's Liberation Army.

Zhou Yang and others are visiting provinces to know more about the local conditions. They are gathering views and suggestions from all fields.

The national conference under plan will be an overall review of the major progress, experiences and problems in Chinese literature and art since the 1976 downfall of the gang of four and particularly since the 1978 third plenary session of the eleventh party Central Committee. It will discuss and sum up questions related to the orientation and road of development for socialist literature and art in China.

PLA AIR FORCE CHIEF ON SPIRITUAL CIVILIZATION

OW122101 Beijing Domestic Service in Mandarin 1200 GMT 10 Nov 81

[Text] Speaking at the sixth plenary session of the fifth air force party committee this morning, Zhang Tingfa, first secretary of the committee and commander of the PLA Air Force, stressed: In promoting spiritual civilization, we should neither pay mere lip service nor talk about the matter just in general terms. Our action is essential.

Zhang Tingfa said a high degree of spiritual civilization is one of our lofty objectives. The party Central Committee takes this and the promotion of a high degree of material civilization as two major tasks in the program of the four modernizations. Spiritual civilization is an essential prerequisite and a powerful impetus to the promotion of material civilization.

Zhang Tingfa pointed out that Vice Chairman Deng put forward five kinds of revolutionary spirit: the revolutionary and death-defying spirit; the discipline, abiding and self-criticism spirit; the selfless spirit of putting others' interests before one's own; the spirit of conquering all enemies and all hardships; and the spirit of persisting in revolutionary optimism and surmounting every difficulty to win victory. These five kinds of spirit and the "four have's," "three stresses" and "two fearlessnesses" [have ideals, morality, knowledge and physical strength; stress soldiers' appearance and bearing, courtesy and discipline; fear neither hardship nor sacrifice] put forward by the general political department represent a very high demand and an extremely lofty state of mind. To meet this demand and achieve this state requires a lot of effort, but every Communist Party member and every revolutionary armyman should strive to do so. This should be regarded as a strategic task of prime importance to be undertaken with intensive and untiring efforts.

Zhang Tingfa continued, in PLA units, the promotion of spiritual civilization means improving military and political quality, increasing combat strength, rectifying the style of work and raising work efficiency. The primary yardstick to test the work of spiritual civilization in a unit is to see if its combat strength has increased, if accidents and violations of discipline have been completely averted or reduced, and if there is a sign of improvement of the work in various fields.

Zhang Tingfa pointed out this year our air force units have achieved marked results in promoting spiritual civilization of grasping the "three stresses" as a starting point. Next year, while conducting a profound education to make commanders and fighters have ideals, we must pay attention to four things and work on them in a down-to-earth way so as to achieve successful results. These four things are:

1. We must strengthen the construction and management of barracks areas, make the environment green and beautiful, and do a good job in ensuring cleanliness and sanitation. All air force units at and above divisional level and especially air force organizations, units and academies in big and medium cities must try to be advanced units of their respective localities in making the environment clean and green and in ensuring good public order.
2. Service units such as guest houses, hospitals and sanitariums must make conspicuous achievements in improving their service and raising the quality of their work.
3. A "no discipline violation" campaign must be developed in depth and on a wide scale in grassroots units. Healthy practices must be fostered, and unhealthy trends corrected. We must see to it that our soldiers have a good appearance and bearing, that they are courteous and well disciplined, and that they have made it a general practice to pay attention to decorum.
4. It is necessary to act decorously in flying aircraft, rendering service, carrying out duties, driving cars, doing office work and dealing with family affairs. Efforts to uphold great and far-sighted ideals must be combined with efforts to do our duty well. Our spiritual civilization must be reflected in whatever we are doing.

Zhang Tingfa called on the broad masses of commanders and fighters of air force units to learn from Lei Feng, Li Junxia and other exemplary heroes and to strive to become glorious pacesetters in promoting spiritual civilization.

STATE COUNCIL ENTERPRISE CONSOLIDATION DIRECTIVE

OW070038 Beijing XINHUA Domestic Service in Chinese 0100 GMT 6 Nov 81

[Text] Beijing, 6 Nov (XINHUA) -- The State Council recently approved and distributed the "suggestions on strengthening leadership and doing a good job in consolidating enterprises" put forward by the State Economic Commission. In a directive, the State Council emphatically pointed out: To consolidate enterprises is the most realistic method for tapping the potential of the enterprises, achieving better economic results, and increasing revenues. The people's governments at all levels and the various departments concerned must attach great importance to this work, make overall and unified plans, vigorously implement such plans and check from time to time how such plans are being carried out.

The State Council also urged the leading comrades in various areas and those working for the various departments concerned under the State Council to pay close attention to a number of key enterprises in a planned manner and step by step, to personally go to the lower-level to carry out investigations and study among the masses, to bring the enterprises under control in an all-round manner for the purpose of achieving better economic results and to assure real successes.

In the "suggestions," the State Economic Commission had reaffirmed its work in the past few years in consolidating enterprises. At the same time, it also pointed out that we should not overestimate the achievements in consolidating the enterprises, as there are not many enterprises which have been really consolidated well with remarkable economic results.

Although some basic work has been carried out in consolidating the majority of enterprises, such work is far from being sound and the achievements are not solid. On the other hand, some enterprises are chaotic in management with poor economic results. The existing major problems at present are as follows:

1. The leading body of the enterprise fails to keep pace with the new situation.
2. The management of the enterprise is poor.
3. Ideological and political work is weak and lax. Not enough efforts have been made to train workers.

If these problems are unsolved, it would be difficult to improve economic performance, to maintain a certain rate of growth in production and to build up a reserve force for future economic development. Therefore, to consolidate enterprises is an important and pressing task at present.

The "suggestions" put forward six criteria for consolidating enterprises. It also clearly stressed the need at present to carry out work as follows:

- Earnestly consolidate and build the leading body of the enterprises.
- Set up and improve the economic responsibility system, pay close attention to the enterprise's management and improve its economic performance.
- Strengthen ideological-political work and do a good job in training workers.

The "suggestions" pointed out: The work of enterprise consolidation involves many factors. It will be rather difficult to consolidate enterprises by relying on the economic commissions at all levels. It is necessary to rely upon the party committees and people's governments at all levels to strengthen leadership. In this connection, the "suggestions" stressed the following five requirements:

1. The work of consolidating enterprises must be carried out in close connection with the work of readjusting and restructuring the economy. Plans in this regard must be made in an all-round manner and problems tackled in a comprehensive way. Responsible comrades must go to the basic-level units themselves to carry out investigations and study and grasp typical cases.
2. It is necessary to proceed from actual conditions and give guidance to enterprises which belong to the same category. Enterprises with fairly good management must vigorously improve themselves, pay attention to quality control and economic accounting in an all-around manner and to the training of all workers, strive to explore ways for management modernization and exert even greater efforts in improving production techniques and management as well as economic performance. Ordinary enterprises must strive to raise the militancy of their leading bodies, carry out their basic work on a solid basis, consolidate their achievements, gradually emphasize quality control and economic accounting in an all-round manner, train all workers and carry out their management work well. Enterprises which are chaotic in management must proceed from the work of strengthening their leading bodies, establish the normal production procedure and bring about changes within a certain time limit. In the course of consolidating enterprises, full attention must be paid to large and medium-sized enterprises as well as key enterprises.
3. It is essential to carry out check-ups and analysis in accordance with the six criteria for consolidating enterprises, and to compare and assess the enterprises once every year. Those enterprises which have met the criteria are to be selected for citation as advanced enterprises and collectives by the departments concerned in various provinces, municipalities and autonomous regions and under the State Council, whenever the opportunity arises.
4. It is necessary to formulate plans. We must make long-range plans as well as specific short term arrangements.
5. The work of consolidating enterprises must be carried out in close connection with the practice of learning from the advanced techniques and management experience in Shanghai.

Six Criteria

OWO62341 Beijing XINHUA Domestic Service in Chinese 0131 GMT 6 Nov 81

[Text] Beijing, 6 Nov (XINHUA) -- The following six criteria for consolidating enterprises which were put forward by the State Economic Commission have been approved by the State Council:

1. The enterprise must have a leading body which upholds the four basic principles and displays the correct party style, with its members united and militant, keen-witted, capable and vigorous and in the prime of life. The director and deputy director of the enterprise must understand production techniques and show profound skill in management.
2. It is essential to set up and improve the factory director's responsibility and the convening of the workers congress under the leadership of the party committee. The party committee must have strong central leadership. The ideological-political work must be carried out vigorously and the workers must do a good job in exercising democratic management. There must be high efficiency in production and administration and in the command system.
3. The enterprise's workers must demonstrate high political awareness, show great technical competence, strictly observe discipline and display a good style of work.
4. Various responsibility systems must be set up within the enterprise at all levels. The basic work in improving enterprise management must have been carried out fairly well, and remarkable achievements must have been achieved in emphasizing quality control and economic accounting in an all-round manner and in training all workers. Production must have been carried out safely and along the civilized line.
5. The enterprise must have fulfilled its state plans in an all-round manner with its main technical and economic norms, such as output, quality, production costs and profits, approaching or reaching the same level as other enterprises in the same trade in the same province, municipality or autonomous region.
6. On the basis of developing production, there must have been improvements in the workers' well being and in their material and cultural life.

The State Council also pointed out that various industrial departments should work out their own specific requirements on the basis of the above-mentioned six criteria for the consolidation of enterprises in the same trade.

JINGJI GUANLI ON CHINA'S ECONOMIC SITUATION

HK110905 Beijing JINGJI GUANLI in Chinese No 9, 15 Sep 81, pp 7-9, 22

[Article by Zhong Yi [0022 3015]: "Comments on the Economic Situation in the First Half of 1981"]

[Text] In December last year, the central work conference decided on the policy of further readjusting the national economy. In this connection, what are the new achievements of our national economy in the first half of this year? What are the distinguishing features of the economic readjustment? What are the new phenomena and new problems which have appeared? These and other questions are of concern to the people. This article intends to make some exploratory comments.

The National Economy Continued To Grow in the First Half of 1981

On the basis of the remarkable accomplishments attained in the national economy in 1980, we again made new achievements in the first half of this year.

Output of summer crops increased. Last winter and this spring, most areas suffered serious drought. This had very adverse effects on the growth of wheat.

However, because the various localities seriously implemented a series of policies on rural economy, further established and improved various types of responsibility systems and fully mobilized the great masses of commune members' enthusiasm for production, the losses caused by natural calamities were greatly reduced. According to the statistics of the relevant departments, total output of summer grain increased by about 7 billion jin compared with last year, constituting an increase of over 6 percent. There was a bumper harvest of rapeseed. Output increased by nearly 23 million dan, an increase of 53 percent. Of this increase, Anhui and Sichuan increased production by over 4 million dan, while Hunan, Jiangsu, Guizhou and Hubei increased production by 2 million to 3 million dan. The extent and geographical scope of the rapeseed production increase this year has not been seen for many years.

On the whole, industrial production increased slightly, with light industry increasing on a larger scale. Even with reducing energy consumption by 4.7 percent, overall industrial output value in the first half of the year still reached 248.6 billion yuan, a growth of 0.8 percent over the same period last year, with light industry output value achieving a growth of 11.6 percent. Output of many major light and textile industry products markedly increased: production of washing machines increased by 320 percent, television sets by 100 percent, radios, cameras, tape recorders, bicycles, sewing machines, electric fans, watches and clocks by 24 to 82 percent, synthetic fibers, cotton yarn, silk products, woolen goods and knitting wool by 6 to 30 percent and sugar and beer by 24 and 12 percent, respectively.

Obvious results were obtained in efforts to retrench the scale of capital construction. Following the principle of doing things in accordance with actual capability, the effect of efforts to reduce capital construction has been observed since the beginning of the year. The major manifestations are first, the retrenchment of the overall scale of capital construction. This year's planned total investment has been reduced to 30 billion yuan from 53.9 billion yuan last year. In the first half of the year, total investment in capital construction in the country was 12.6 billion yuan, down 22 percent from that in the same period last year, with investment included in state plans reduced by more than one-third. Second, a great number of large scale items were postponed. As of the end of June, there were a total of 163 large and medium scale construction projects which have been postponed. According to calculations, an investment of more than 40 billion yuan can be saved from these uncompleted items, equivalent to more than 200 percent of the total investment saved from postponing construction projects in the past 2 years. Due to the small scale of capital construction, resources were pooled, and this enabled a number of key construction projects in the energy, light and textile industry and other industrial sectors to proceed smoothly. In the first half of the year, there were 10 large and medium scale projects and 10 single-unit projects which were completed and put into operation. This has rapidly expanded the production capacity for crude oil, natural gas, coal, electric generator units, synthetic ammonia, synthetic fibers, cotton yarn spindles, kinescopes, sugar and crude salt.

Domestic and foreign trade enjoyed further growth. With the growth in industrial and agricultural production, the total value of commodities retailed during the first half of the year was 112.7 billion yuan, 9 percent more than that in the same period last year. Compared with the same period last year, the retail volume of various consumer goods experienced overall increases; among food items, grain and edible oil grew by more than 11 percent; among clothing items, synthetic fibers, blend fabrics and woolen goods increased by more than 25 percent and among goods for daily use, bicycles, sewing machines, television sets, electric fans, clocks and watches increased by 14 to 76 percent. Rural fair trade was very active. With the further expansion of the rural trade fair network in the urban and rural areas, there has been a greater variety of commodities. In the first half of the year, trade volume in rural fairs all over the country reached 14 billion yuan, representing an increase of 30 percent over that in the same period last year. According to surveys in some areas, among the daily consumer goods purchased by urban residents, 25 percent of poultry, fresh eggs and aquatic products and more than 40 percent of vegetables came from agricultural fairs.

This played a positive role in making life convenient for the masses and in supplementing the shortages of some commodities in state-run shops.

Foreign trade expanded further this year. In the first half of the year, total foreign trade volume was \$19.3 billion, increasing by 16.5 percent over the same period last year, with exports growing by 13.2 percent and imports by 19.8 percent.

There was a favorable balance of income and expenditure and prices were basically stable. By making rigorous efforts to increase production and to economize and with strict control over various expenditures, national income in the first half of the year was able to meet expenses and there was even a small surplus. Because of the favorable financial balance and the increase in bank deposits, the net volume of currency withdrawn from circulation in the first 6 months of the year was nearly 4 billion yuan. Both the budget surplus and the volume of currency withdrawn surpassed that of the same period last year. This created important conditions for the basic stability of prices, with prices of retail goods, on a national average, increasing by an overall rate of 0.7 percent in 6 months; retail prices in state-run commercial establishments by 0.6 percent; negotiated prices by 1.3 percent and prices in rural fairs in urban and rural areas by 3.2 percent.

The Key Lies in Further Implementing the Policy of Readjustment

The above achievements were the result of the various departments and localities implementing the readjustment policy. What then, are the distinguishing features of economic readjustment work? From the macroeconomic point of view, they are the commencement of changes in heavy industry's self-circulation and the increase in the relative importance of light industry. Rational readjustment was instituted in three aspects of the internal structure of industry: First, the readjustment of the economic structure. For a long time, we one-sidedly emphasized the development of heavy industry and other industries were made to revolve around heavy industry. Thus, heavy industry was overly emphasized while light industry was overly neglected, leading to abnormal development. Over more than 2 years of readjustment, this abnormal structure was continually rectified and light industrial production grew rather rapidly. In 1979, national light industrial output value grew by 9.6 percent over 1978 and in 1980, output value further grew by 18.4 percent over 1979. In the first half of this year, output value also grew by 11.6 percent over that in the same period last year. A remarkable feature of light industrial production in the whole country over the first half of the year was that rapid growth took place not only in areas where light industry is a major economic component, but in all areas. For example, Zhejiang's light industry grew by 22.5 percent, Shandong's by 17.3 percent, Guangdong's by 16.7 percent, Tianjin's by 13.3 percent and Jiangsu's by 12.8 percent. Light industry in areas where heavy industry occupies a predominant position also enjoyed rapid growth. For example, Hunan's light industry grew by 14.7 percent, Heilongjiang's by 14.4 percent, Liaoning's by 13 percent and Sichuan's by 9.7 percent. Due to the fact that all localities are taking measures to readjust the internal economic structure of industry and to actively develop light and textile industry products, the proportion of light industrial output value in total industrial output value is steadily increasing. From 43.1 percent in 1978, it rose to 46.9 percent in 1980 and to 50.4 percent in the first half of this year. The phenomenon of light industry surpassing heavy industry in relative importance is something that has not happened since 1970.

Second, the readjustment of product structure. Readjusting product structure means shifting from one-sided development of heavy industry to emphasizing the development of consumer goods. This is a decisive step in the gradual rationalization of our national economic structure.

The ten mechanical and electric products which were set as national priorities, namely: bicycles, sewing machines, clocks and watches, radios, televisions, tape recorders, washing machines, cameras, electric fans and electric motors, are called the ten "frontline" products. Through the methods of "shifting from heavy to light industry," "shifting from military to civilian" and "shifting from long line to short line production," production of these commodities has grown rather rapidly. Heavy industrial sectors have actively adjusted their orientation and exerted efforts to produce commodities needed by light industry and the export trade. For example, the first machine building departments have produced \$102 million worth of mechanical and electric products for export in the first 5 months of the year, representing a growth of 70 percent over the same period last year. The Nanjing steamship electrical machinery factory found its way out by shifting production orientation. It erected an electrical appliance plant in April this year and built two assembly lines for electric fans and washing machines with annual production capacity of 100,000 units each. Many heavy industrial enterprises are actively revising their product orientation to provide light and textile industrial sectors with technology and equipment.

Third, the readjustment of organizational structure. Readjusting the organizational structure means breaking away from conventional organizations and links and reorganizing according to the principle of coordination among specialized units. These two things must be integrated. To develop consumer goods production, we must break away from the boundaries of departments and regions and take the road of cooperation and reorganization. Only thus can we make full use of advantages, bring strong points into play, avoid weak points and fully utilize the internal potential of enterprises. Many units have done this, and they have achieved rather good economic results. For example, through integration with other plants, the Shanghai Huasheng electric fan plant achieved specialized production last year. Its annual output of electric fans was 500,000 units, up by 27 percent over the previous year. It was also able to further improve quality. In the past, the municipality of Dalian depended only on the light industry departments to produce the model "28" bicycle. It took 7 to 8 years to produce 180,000 units. Last year, in producing the model "26" light bicycle, Dalian broke through the boundaries of departments and engaged in integration. In less than 1 year, production capacity for 100,000 bicycles was built with a workshop space of 20,000 square meters less than what had been planned for. It was also only necessary to install 100 units less than planned, of equipment. The Nanjing China radio industrial company rapidly expanded production capacity by readjusting its organizational structure in regard to three products -- television sets, radios and tape recorders -- in accordance with the requirements of coordination among specialized units. The production value of the three items in the first 5 months of this year increased by 51 percent over the same period last year, with output of radios growing by 170 percent.

After rectifying the single-crop mentality in agricultural production, the relative importance of economic crops has gradually increased. For many years, the situation of grasping only grain and neglecting economic crop production existed in agriculture. The irrational internal structure of agricultural products caused bad economic results. This is illustrated by the following figures: Over the 11 years from 1966 to 1976, grain production increased by an annual average of 3.6 percent, cotton decreased by an annual rate of 0.2 percent, oil-bearing crops increased by an annual average of 0.9 percent, while sugar production increased at an annual rate of 2.2 percent. That is to say, in these 11 years, the production of cotton, oil and sugar was greatly behind the growth rate of grain. In the past few years, more and more areas have paid attention to taking advantage of favorable factors in the localities. While vigorously grasping grain production, they also readjust the arrangements for land use. The land area devoted to economic crops in the whole country has gradually increased. The area devoted to economic crop cultivation increased by 10.56 million mu in 1978, by 4.19 million mu in 1979 and by 19.18 million mu in 1980, constituting an overall increase of 33.93 million mu in 3 years.

This year, the area devoted to cultivation of economic crops continues to increase. Thus, there has been a change in the ratio between grain and economic crops. In terms of total cultivation area, the relative importance of economic crops has increased from 10.2 percent in 1977 to 12.1 percent in 1980. Because the structure of agriculture crops is developing in the direction of coordinated growth, remarkable economic results have been attained. The average annual growth rate from 1977 to 1980 was 2.7 percent for grain, 7.1 percent for cotton, 17.7 percent for oil crops and 10.5 percent for sugar. The overall development of grain, cotton, oil and sugar has been achieved. Of course, our country has a population of nearly 1 billion. We can never slacken our efforts in increasing grain production. Taking the country as a whole, we must stabilize existing grain cultivation areas and vigorously increase production, in order to ensure stable growth of grain production.

After breaking away from the convention of production first, livelihood second, the relative importance of capital investment for the improvement of the people's livelihood has gradually increased. In the past few years, investment orientation has been continuously readjusted. There has been a great improvement in nonproductive capital construction. Investment in workers' housing, cultural, educational and health facilities, urban public utilities and other items related to the people's livelihood has been increasing every year. In 1979, this increased by 62 percent over that in the previous year; in 1980, there was a further increase of 35 percent, and during the first half of this year there was also an increase of 8 percent over the same period in the previous year. The relative importance of this investment in total national investment volume has also risen from 17.4 percent in 1978 to 33.7 percent in 1980, and during the first 6 months of this year the proportion has risen to 37 percent. Over the past 3 years, total housing area completed in the country was 182.38 million square meters, surpassing the 10-year total from 1967 to 1976 and constituting 27 percent of total housing area constructed over the 31 years since the founding of the PRC.

Strive To Achieve a Certain National Economic Growth Rate This Year

Although we gained new achievements in the national economy during the first half of the year, there are still many problems in our economy, particularly in industrial production. The major problems are widespread losses among industrial enterprises and a considerable drop in profits handed to the state by enterprises. Of this, profit from heavy industry dropped by 2.7 billion yuan due to insufficient production tasks and other factors. Total wage volume rose by 9.4 percent but labor productivity dropped. Stockpiling of products has increased. The leading economic departments must take vigorous measures to effectively solve new problems appearing under the new conditions. First, we must reorganize the enterprises. The most important thing is to reorganize the leadership and solve the psychological problems. At present, the management of some enterprises is very confused. Labor discipline is lax; common property of the great collective is transformed into property of a small group; selfish departmentalism is practiced and state interests are neglected. There are many reasons for these unhealthy tendencies, but an important one is that some enterprise leaders are guilty of erroneous thinking. They evade problems and demand the lowest production quota possible. This reflects the psychological state of some enterprise leaders. Without solving this problem, there is no way to solve the other problems in enterprise reorganization. Thus, through reorganization, we must correct our thinking and heighten our spirit. We must dare to grasp ideological and political work, dare to struggle against unhealthy tendencies and dare to meet the challenge of difficulties. Second, we must popularize the economic responsibility systems. This is an important measure in mobilizing the workers' enthusiasm, improving enterprise management and increasing economic results. Various responsibility systems which were experimented on, all had the effect of increasing production and income and reducing expenses.

Due to the great variety of conditions in industrial and communications enterprises, we must actively and steadily implement various responsibility systems, such as acceptance of quota responsibility by the management and linking output to remuneration, in accordance with different prevailing conditions in the enterprises and strive to improve economic results. Third, we must continue to exert efforts to do a good job in grasping consumer goods production. There was still a gap between commodity supply and social demand in the first half of the year. At present, the major problem in consumer goods production is the shortage of raw materials. Thus, we must continue to do a good job in grasping agricultural production and the diversified economy and increasing the relative importance of industrial raw materials. We must engage in bringing in as much raw materials for processing as possible, strive to produce more and better consumer goods for daily use and expand the market supply volume. Fourth, we must further do a good job in the economic readjustment and the structural reform. Readjustment is a positive and progressive policy. It is impossible to have a high national economic growth rate during the period of readjustment. Yet, a certain growth rate must be maintained. To ensure a certain growth rate of the national economy, the basic method is to do a good job in economic readjustment and structural reform. On the one hand, we must induce coordinated development of the various departments of the national economy through readjustment, while on the other, we must enliven economic life through reform. We must reduce expenses. However, the more important thing is to open up more income channels in order to ensure the steady growth of income. Heavy industry is an important sector of material production. We must also enliven it during the period of readjustment in order to enable it to achieve a certain growth rate. For example: the mechanical industry must expand its service area and better serve consumer goods production, the technological renovation of old enterprises, national security and export trade. The metallurgical industry must provide agriculture, light industry, the mechanical industry and other sectors of the national economy with suitable and high quality metal materials. We must continue to do a good job in the pilot projects for expanding enterprise decision-making power. Revolving around the building of a sound economic responsibility system and the strengthening of democratic management, we must actively and steadily promote the reform of the economic system.

TA KUNG PAO REPORTS ISSUANCE OF BONDS IN FUJIAN

SHENGLANG Hong Kong TA KUNG PAO in Chinese 7 Nov 81 p 1

[Dispatch from contributing correspondent Sun Ching (X227 7234) in Fuzhou: "Fujian Officially Issues Bonds"]

[Text] Zhao Zhongxin, general manager of the Fujian investment corporation, has announced to this correspondent that the first issue of "Fujian investment corporation bonds," which is now formally offered to Overseas Chinese, Hong Kong and Macao compatriots, returned Overseas Chinese and Overseas Chinese dependents, will be closed by the end of next year.

Zhao Zhongxin said the Fujian provincial people's government has authorized our corporation to issue the bonds and commissioned the Fuzhou branch of the Bank of China to be the general agent. This business will be handled by the branches of the Bank of China in all parts of Fujian. In places without branches of the Bank of China, this will be handled by the People's Bank. The bonds will be in denominations of 100 yuan, 1,000 yuan and 10,000 yuan. If so desired, these bonds can be purchased by the subscribers with foreign currencies at the existing exchange rate for RMB. The bonds can either be registered or unregistered. The 5-year bonds will bear an annual interest of 5 percent, the 10-year bonds will bear an annual interest of 7 percent and the 15-year bonds will bear an annual interest of 8 percent. Payment is payable once a year and an equivalent amount of overseas remittance coupons will also be given at the same time. Upon maturity, if the subscriber definitely needs to remit the capital abroad, he may do so with the approval of the Fujian investment corporation. As a rule, not more than 30 percent of the face value of the bonds may be converted to U.S. dollars at the official exchange rate announced by the bank on the date of maturity and may only apply for permission to remit abroad more than 30 percent of the face value of the bonds.

The Fujian investment corporation has stipulated that in any hometown with a higher concentration of Overseas Chinese, funds raised from the sale of bonds to Overseas Chinese living abroad and in Hong Kong and Macao compatriots can all be used in the economic construction of their own districts to satisfy the desire of the Overseas Chinese to build up their hometowns. Projects built with private funds not only can display the signboard of "such and such enterprise of the Fujian investment corporation" but can also provide employment for a certain proportion of relatives, dependents and children of Chinese nationals living abroad who send up to the terms of employment. According to Zhao Zhongxin, even before the bonds have been formally issued, some Overseas Chinese and Hong Kong and Macao compatriots have already remitted 5 million Hong Kong dollars to subscribe for the bonds.

Chen Yangsong, vice chairman of the Fujian provincial federation of Overseas Chinese, informed this correspondent: Before the "Cultural Revolution," the Fujian Overseas Chinese investment corporation had issued over 70 million yuan in shares and used such funds for the construction of more than 50 sugar refining, paper making, food canning and silk weaving factories, many of which have become key enterprises in Fujian. He expressed confidence that the broad masses of Overseas Chinese, Hong Kong and Macao compatriots, returned Overseas Chinese and Overseas Chinese dependents will certainly give play to the excellent tradition of enfeoffing their fatherland and hometowns, actively subscribe to the "Fujian investment corporation bonds" and contribute to accelerating the economic construction of Fujian.

FUJIAN'S LIGHT INDUSTRIAL OUTPUT INCREASES

SHENGLANG Beijing XINHUA in English 0741 GMT 10 Nov 81

[Text] Fuzhou, November 10 (XINHUA) -- The output value of Fujian's light industry is now 90 percent of the province's total industrial output value, according to Governor Ma Xinyuan in a recent speech on the province's trade with foreign countries.

The increase in output value, up from 58.9 percent in 1978, is attributed to the readjustment of the economy in the wake of the expansion of foreign trade in the province, the provincial governor said.

Since the central government adopted special economic policies for Fujian in 1979, the province has established trade ties with 124 countries and regions. In the first nine months this year the province's value of exports exceeded the total of 1980, which was 57 percent above 1979, the governor said. Ninety new products are now being exported to other countries. With foreign exchange earned from foreign trade, the province has imported, in addition to insecticides and chemical fertilizers, cotton, synthetic fibers and rolled steel for the light and textile industries. In addition, through the processing of imported materials, compensatory trade and joint management with foreign firms, the province has added advanced technologies and equipment to increase the capacity of light industrial production.

The provincial government has utilized part of the profits in foreign exchange from commercial activities to strengthen basic construction. Around 130 million yuan has been earmarked so far this year to be used on 18 major projects for improving local transport conditions, the governor said. The expansion of foreign trade in the province has provided more job opportunities. More than 1,000 contracts for the processing of customer-provided materials have been signed with businessmen from other countries since early last year, Ma Xingyuan said. Under the contracts, 11,000 jobless people are provided jobs.

XINHUA RIBAO ON JANUARY 1982 INDUSTRIAL OUTPUT

(Mingzhi Nanjing XINHUA RIBAO in Chinese 3 Nov 81 p 1)

[Editorial: "It is Important To Pay Attention to Early Preparations for Next Year's Industrial and Communications Production"]

[Text] The new year is only 2 months away. Leaders at various levels, cadres, staff members and workers on the industrial, communications and capital fronts throughout the province, while striving to push up industrial and communications production in the last 2 months of this year, should pay attention to early preparations for next year's production. They should conscientiously sum up their experiences and learn from past lessons that insufficient preparations in some years had indeed affected production at the start of the following years. To ensure a good start for next year's production, they should begin making meticulous preparations as early as possible.

First of all, leaders at various levels, cadres, staff members and workers on the three fronts throughout the province must continue to conscientiously study the constitution, understand the laws on economic work given by a central leading committee, grasp the main contradictions in the work, use their heads, constantly study new situations, sum up new experiences and solve new problems. In studying and planning next year's production, they must try hardest to ensure the guiding thought to correct order and must understand that a certain growth rate in industrial production must be maintained and that attention must be paid to promoting all-around economic growth during the period of restructuring the national economy. Production of products urgently needed by the urban and rural population should be handled on a basis of increasing the production plans and strengthening market forecasts. We must pay attention to increasing the production of consumer goods for daily use while continuing to carry out the readjustment of heavy industry. In particular, a good plan should be drawn up for the machinery industry to increase the production and turnover of enterprises owned by the state people while guiding and supporting collectively-owned enterprises as well as individual handicraft enterprises in developing production. We must pay attention to the arrangement of planned products while making market regulation play its supplementary role.

To be successful in preparing for next year's industrial and communications production, we must begin our preparations early and have a clear target in mind. A central leading comrade has long pointed out that arrangements for next year's production should be made earlier than previous years. After learning from past experiences and lessons, Wuxi municipality has called for "doing six things early." The six things are: early mental preparation, early draft of a plan for technical transformation, early arrangement of production plans, early implementation of regulation by the market, early readjustment of products, and early production of new products. This suggestion is very good. Various areas should follow the example of Wuxi municipality. Various areas and enterprises should proceed from reality, grasp the main point, make use of their superiority and overcome their weaknesses. Judging from the current situation, preparations by the textile industry should concentrate on improving dyeing and printing, strengthening technical transformation and improving equipment so as to increase the variety of products, improve the quality of products and expand economic results. There are abundant resources of raw materials needed by the food, silk, leather, garment, building materials, pharmaceutical and handicraft industries. Efforts should be made to develop these resources which already have some foundation and which have great potential. Enterprises which have sufficient raw materials and whose products are easily marketable should make arrangements to operate at full capacity, increase the variety of products, improve their quality and reduce their costs. Those enterprises which do not have sufficient raw materials should try to solve this problem by producing other kinds of products. All should pay attention to economic results, gradually eliminate weak links and promote the development of the national economy. In short, the whole province must bring about a healthy, stable and sustained economic growth rate and draw up a plan that can be fulfilled with concerted efforts.

To organize industrial production well, we must strengthen market forecasts and management, enliven economic activities and raise economic results. Lacking understanding of the constant changing market situations both at home and abroad and improper management are a weak link of our province's industrial and communications departments. For many years this has prevented the development of production. We must change the situation in which for years industrial departments paid attention only to production, not to management, and concentrated on products, but ignored the markets. Industrial departments should conduct more investigations and study and improve management and learn how to run a business. Competent people should be selected to head industrial departments and enterprises.

Industrial and communications departments should take the initiative in closely coordinating with the commercial, foreign trade, supply and marketing and price departments and with banks in doing a good job in market investigations and forecasts; should understand the trend and extent of changes on domestic and international markets, the flow of commodities as well as the psychology of the consumers at home and abroad; should pay attention to opening up potential markets and should have a clear target as to what should be developed, what should be reduced and what should be stabilized in the following year or even the next few years. To increase production and raise economic results, it is necessary to carry out technical transformation and improve equipment. Construction of a number of projects should be stepped up in order to make sure that most of them will be completed and put into production to yield partial economic results this year and yield big results next year. This is an important preparation which will ensure next year's successful production. Some prefectural and municipal economic, planning and capital construction commissions have organized joint investigation groups to supervise construction at various work sites and reduce disputes among different parties, thus accelerating construction. This is very good and should be encouraged. In the past few years when we tapped production potentials, carried out technical transformation and improved our equipment, we paid attention to increasing equipment for expanding production, but neglected to transform technology and improve backward equipment. In developing production in the future, we must rely mainly on existing enterprises to carry out technical transformation and improve their equipment so as to raise their economic results. In carrying out technical transformation, existing enterprises should pay attention to saving energy, raising the quality of products, reducing raw material consumption, expanding the variety of products, insuring safety in production and strengthening environmental protection.

Technical transformation and equipment improvement should be carried out in a planned and systematic way and with a clear target in mind. Regarding this question, departments in charge and comrades in various prefectures, municipalities and counties should plan well ahead what projects should be completed and what matters should be done next year. If conditions permit, project items should be determined early and included in a plan. All concerned should work hard to fulfill the plan.

In addition, arrangements should be made as early as possible for the transportation work during the coming winter-spring period and in the next year. In the cold winter season, the water level in rivers is usually low, with snow and ice. All this causes difficulties in transportation. Communications and transport departments should pay great attention to safety, assimilate experience and draw lessons from the past and start to make preparations right away against possible problems caused by cold weather, freezing and slippery ice. At this time when the grand canal still has fairly high water level, they should organize a shock transport fleet to quickly ship out the coal piled up at the Xuzhou and Shuanglou harbors. Moreover, efforts should be made to grasp the joint operations of automotive transport units, the cargo-handling work at through-transport stations and ports, and the through traffic of passengers and cargoes involving railway, highway and river transport. Around the spring festival communications and transport departments should try to improve their service, raise the quality of their work and make every effort to ensure successful fulfillment of the heavy passenger transportation task peculiar to that time.

Political work is the life blood of all economic work. To develop industrial and transport work, we must make great efforts to strengthen ideological and political work so that every cadre, staff member and worker will have the sense of responsibility of being the master of the nation and will strive hard to improve his or her work. It is imperative to publicize among cadres, staff members and workers the superiority of the socialist system and the great and far-sighted ideal of communism. We must boldly publicize the four basic principles, intensify the education in communist ethics and socialist civilization, raise the political and ideological consciousness of staff members and workers and carry forward the fine traditions of the working class. We must persist in integrating moral encouragement with material reward and advocate the necessity of taking the overall interests into consideration and of correctly handling the relations among the state, the collective and the staff and workers. We must protect, cultivate, publicize and commend advanced individuals and examples, promote healthy trends and use what is healthy to suppress what is evil. All comrades, be they cadres, technicians and workers alike, whether at high or grassroots level, must work strenuously and selflessly and use their energy to do what is needed. Leading cadres at all levels must conscientiously improve their style of work and go deep into the reality and among the masses to conduct investigation and study so that they will be able to take the initiative to command production. Leading cadres must also respect the democratic rights of staff members and workers, enthusiastically encourage their pioneering spirit and firmly support their actions which are in the interest of our people, country and socialist construction. Above all, it is essential to be concerned about the well-being of the masses, do a still better job in various welfare projects and try to alleviate the burden of household chores on staff members and workers so that they can feel at ease and happily concentrate their efforts on the present production tasks and on the preparations for next year's work.

DAZHONG RIBAO ON LITERARY, ART CRITICISM

HK091040 Jinan DAZHONG RIBAO in Chinese 28 Oct 81 p 1

["Literature and Art Criticism" column article by Lu Lanqi [4151 5695 3825]: "Water the Garden of Literature With Mild Breezes and Gentle Rains -- On Making Literature and Art Criticism a Regular and Scientific Thing"]

[Text] Criticism and self-criticism constitute one of the three major work styles of our party and make our party adhere to truth, correct its mistakes and retain its undefeatable position in its prolonged revolutionary struggle.

The literary and art undertakings are a part of the whole revolutionary cause and as in all other undertakings mistakes and deviations may occur. Literary and art ideology may also be affected and disturbed by various ideological trends in society. Moreover, no literary and art work can be 100 percent perfect. In order to develop literature and art along a healthy path, it is also very necessary to frequently conduct literary and art criticism. The current reasonable and factual criticism of the liberalization trend and the errors in certain literary and art work provide convincing proof of this. However, this very necessary and extremely normal practice has evoked abnormal responses. Some people, for instance, turn pale at the mere mention of "criticism" and think that there will be a new movement and that a so-and-so "faction" will be picked out for humiliation, or they will confuse normal literary and art criticism with "wielding a big stick," "seizing on people's mistakes" and "putting labels on people." Therefore they are disgusted with any criticism, reasonable or unreasonable, and with any critic, whether his attitude is right or wrong. Some others set literary and art criticism against "letting a hundred flowers blossom" and "emancipating minds" and think that there is a "change" or an "end" to the party's literary and art policies as soon as certain literary and art views or certain literary and art works are criticized. This is not only due to the fact that the decade of turmoil, as a political movement, was first signaled by literary and art criticism and that, in the people's eyes, it was thought to be caused by writers and artists being labeled as counterrevolutionaries merely because of a piece of work or a few words. It is also greatly related to the failure to persist in making literature and art criticism a regular and scientific thing.

To make literature and art criticism a regular and scientific thing, we must, first of all, create an atmosphere in which the broad masses of people can express their views in any literary and art work freely. As long as their views are supported with arguments or as long as their views are original, the press should consider publishing them so that different views are aired and discussed instead of the upper hand being given to only one view and denying the other opinion the opportunity of publication. Thus, not only is the atmosphere of debate enlivened, which ensures the people gradually get used to literary and art criticism, but the aim of learning from other's strong points to overcome one's weak points by mutual discussion and consultation and common improvement can also be achieved.

Second, we should adopt a correct attitude toward literary and art criticism. Since writers' and artists' creative work is aimed at serving the people and socialism, they should accept the checking and supervision of their works by the masses of people (including literary and art critics). They should be extremely modest and, motivated by a desire to be responsible to the people, welcome criticism and regard literary and art critics as their good teachers and helpful friends. They should draw experience from criticism in order to become artistically accomplished and to improve the standard of their work. Practice is the criterion of truth and literature and art are no exception. Therefore the merits of a piece of literature can never be determined by the writer himself. It is very harmful to entertain the ideas and feelings that allow only praise and no criticism and are willing to hear only commendations and praises but no frank and sincere advice. Some people are more mistaken and even put themselves in a "persecuted" position, crying for justice on the grounds of being wronged and spreading rumors as soon as they are criticized.

Third, in carrying out literary and art criticism, we should persistently adopt the scientific attitude of seeking truth from facts and, in this we must be full of warmth, objectivity and justice. We must proceed from a motive of helping others improve their work. We must analyze and evaluate their work in a truth-seeking manner and praise what should be praised and criticize what should be criticized. In so doing, we should take into account not only the work itself, but also the social conditions and actual surroundings in which the work was produced. "It is better to take into consideration all the work and the overall characteristics and history of the writers." In pointing out the strong and weak points and the merits and demerits of their work, we should present facts and reason our evaluation out in order to convince them; thus we can help the writers make a clear analysis of their thoughts, sum up experiences, draw lessons and be clear in their orientation.

By no means should we distort by garbled quotations, split hairs or arbitrarily guess the implication of their works and then exaggerate this so as to relate it to the two-line struggle. Nor should we throw out the baby with the bath water and negate their works because of a few defects. The metaphysical view of criticism that regards a good thing as being perfect and without the slightest defect and a bad thing as being entirely bad without the slightest advantage, not only is unfavorable to the development and improvement of literature and art and detrimental to the unity of the literary and art ranks, but also results in literary and art criticism not being given its due credit.

Fourth, literary and art critics should raise their understanding of the Marxist-Leninist theory and improve their artistic accomplishments. They must make a deep study and analysis of the conditions of the thoughts and creative work in literary and art circles, understand the difficulties in creative work, hold in esteem the labor of the writers, and, meanwhile, dare to adhere to the line of the third plenary session of the party and the four basic principles and dare to frankly express their views impartially from the standpoint of the party and the people. They should disdain the unhealthy tendency of proceeding from personal love or hatred or from factionalism and of "wanting to better the lives of those one loves and to kill those one hates." They should break away from the vulgar practice of treating people according to their relationship with oneself and should place themselves on an equal footing with the writers so as to become their guides and friends who will give forthright admonition.

Along with the implementation of the spirit of the sixth plenary session of the party and the improvement and intensification of the party's leadership on the literary and art front, literary and art criticism work that adheres to principles and pays attention to methods will be carried out regularly in a scientific manner. This, like a warm breeze and gentle rain, will water the garden of hundreds of brightly blooming flowers and make it more magnificent.

JINAN PLA UNIT COMMANDER ADDRESSES MEETING

SK121320 Jinan Shandong Provincial Service in Mandarin 2300 GMT 11 Nov 81

[Text] The Jinan PLA units sponsored a meeting on the afternoon of 11 November with the participation of cadres from subordinate organs. Rao Shoukun, commander of the Jinan PLA units, delivered a speech. He urged the broad masses of organ cadres to recognize the significance of their duty, enhance their spirit and do a good job in building leading and education organs to bring their leading and exemplary role into full play.

In referring to ways to strengthen the building of organs, Comrade Rao Shoukun stated efforts should be made to focus thinking and understanding on the resolution adopted at the 6th Plenary Session of the 11th CCP Central Committee and advance the efficiency and militancy of ideological and political work among organs to improve the weak and lax state of affairs. As to those erroneous trends running counter to the four principles, such as indulging in bourgeois liberalism and evil deeds and elements, it is necessary to forcefully criticize them and wage a proper struggle against them. He also emphatically urged leading organs and education organs to contribute to creating a socialist spiritual civilization.

GUANGXI'S QIAO XIAOGUANG MEETS TAIWAN DEFECTOR

OW130454 Beijing XINHUA Domestic Service in Chinese 0816 GMT 12 Nov 81

[Excerpts] Nanning, 12 Nov (XINHUA) -- Huang Zhicheng, who crossed the Taiwan Strait in a plane, recently returned to his hometown in Guangxi, had a happy reunion with his relatives and enjoyed the warmth and happiness of his hometown. Huang Zhicheng's hometown is located in Penxiang village, Liangqi people's commune in Hengxian County, Guangxi.

During his stay in Guangxi, Huang Zhicheng made a tour of Guilin and paid visits to several plants, rural villages and schools. He was warmly received by responsible persons of the party, army and government of Guangxi Zhuang Autonomous Region, including Qiao Xiaoguang, Qin Yingui, Liu Chonggui and Zhang Xudeng.

HUBEI DISCIPLINE FORUM URGES EXEMPLARY WORK STYLE

HK101042 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 9 Nov 81

[Text] At the Hubei provincial discipline inspection forum for provincial units, big factories and mines, colleges and universities, provincial CCP committee Secretary Han Ningfu said that the provincial organs should set good examples in promoting party work styles. Comrade Han Ningfu said in his talk delivered recently to the central organs, Comrade Hu Yaobang demanded that the central organs set good examples for the whole country. This was not merely a demand of the central organs but of leading organs at all levels. Similarly, all organs in our province should also set good examples for the whole province. Comrade Han Ningfu demanded party organizations of provincial organs at all levels must continue to organize the party members and cadres to seriously study the Resolution on Certain Questions in the History of the Party Since the Founding of the PRC and Comrade Deng Xiaoping's talk on correcting party work styles, studying the relevant documents of the national forum on discipline inspection work conducted by the Central Discipline Inspection Commission and strengthening ideological and political work. It is necessary to more profoundly implement the guiding principles, resolutely work in accordance with the guiding principles and carry out struggles against various unsavory trends. We must treat everybody as equals in regard to discipline. All departments and units must strictly abide by organizational life, make criticism and self-criticism a regular, normal and systematic practice and overcome the state of weakness and laxity in the leadership groups. To counter existing problems, we must formulate necessary rules and regulations to make up for the flaws caused by the unsavory trends.

Comrade Han Ningfu said in demanding that provincial organs set good examples, it is necessary, first of all, for leaders at all levels to set good examples. The provincial CCP committee must take the lead and so must leading cadres of all departments, committees, offices and bureaus. They must play an exemplary role in their work. At the same time, it is hoped that the broad masses of party members and cadres will carry out supervision.

On the basis of conveying and studying the spirit of the Central Discipline Inspection Commission forum, this provincial discipline inspection forum for provincial units, big factories and mines, colleges and universities emphatically discussed and studied the questions of how to promote party work style, strictly abide by party discipline and do a good job of party discipline inspection work. Attending the forum were some 120 responsible comrades in charge of discipline inspection work in provincial departments, offices, bureaus and committees, big factories, mines, colleges and universities.

SICHUAN URGES ENDING INDISCRIMINATE ALLOWANCES

HK070830 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 5 Nov 81

[Excerpts] The leading party groups of the provincial CCP committee, the discipline inspection committee and the provincial financial office recently reported to the provincial CCP committee the situation of indiscriminate distribution of furniture, foodstuffs and allowances in some provincial units and proposed methods to tackle this problem. The provincial CCP committee pointed out we must resolutely rectify and stop this unhealthy tendency of indiscriminate distribution of furniture, foodstuffs and allowances. The provincial organs should set an example for the whole province, observe economic discipline and systems and take the lead in promoting the party's work style. From the masses' letters, the provincial CCP committee and the discipline inspection committee came to learn that some provincial units have indiscriminately distributed furniture, foodstuffs and allowances to the staff and workers. Together with the leading party group of the provincial financial office, they organized people to conduct further investigations into the situation. The results of the investigation showed that about 60 units under the provincial organs have distributed furniture to staff and workers since 1981.

In the report to the provincial CCP committee, the leading party groups of the provincial CCP committee, the provincial discipline inspection committee and the provincial financial office proposed specific methods of solving this problem. It is erroneous to concoct various pretexts, violate stipulations and indiscriminately distribute furniture, foodstuffs and allowances. According to the stipulations of the relevant documents of the State Council and the provincial departments concerned, we must carry out clearing and correction. Any provincial units which have distributed furniture, foodstuffs and allowances to the staff and workers must carry out clearing and correction according to the methods proposed in the report. The responsible comrades concerned should seriously sum up experiences and take the initiative in shouldering responsibility. The leading cadres should take the lead in paying for the furniture, foodstuffs and allowances they have taken. At the same time, they should conduct thorough and painstaking ideological and political work for the staff, workers and the masses, and made the best use of their time to carry out correction.

TAN QILONG ATTENDS SICHUAN CHILD CARE CONGRESS

HK111452 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 9 Nov 81

[Excerpts] The Sichuan provincial congress for progressive collectives and progressive individuals in child care work was solemnly opened on the morning of 9 November in Chengdu. Attending the congress were 600 representatives of progressive collectives and individuals in child care work from all localities in the province, leading comrades of all prefectures, municipalities and autonomous prefectures and the responsible comrades of relevant departments, specialists in preschool education and pediatric experts, totalling some 1,300 people. Attending the congress were Tan Qilong, the first secretary of the provincial CCP committee; Du Xinyuan, secretary of the provincial CCP committee and chairman of the provincial people's congress standing committee; (Tian Bao), secretary of the provincial CCP committee and vice-governor; provincial people's congress standing committee Vice Chairmen Zhang Xiushu and Liu Yunbo; Vice-Governor Liu Haiquan; (Xi Shi), advisor to the provincial people's government; provincial CPPCC committee Vice Chairmen Shi Chu and (Wang Zubo); provincial PLA command Deputy Governor (Kong Cheng) as well as the responsible comrades of all provincial sections and comrades from the leading groups in child care work. The congress was presided over by Comrade (Tian Bao).

Comrade Tan Qilong spoke at the meeting. On behalf of the provincial CCP committee, he cordially congratulated the representatives of progressive collectives and individuals in child care work in the province. Comrade Tan Qilong pointed out that Sichuan has scored good results in child care work. However, the task ahead is still very formidable. We must sum up our work experiences, exchange our experiences and devote our efforts to fostering the healthy growth of children so as to further promote steady development of child care work in our province and to bring up and train more successors.

Comrade Liu Haiquan also spoke at the congress.

On the afternoon of 9 November, the congress held group discussions on the talks of Comrade Tan Qilong and Liu Haiquan.

SICHUAN HOLDS MEETING ON BOOSTING PRODUCTION

HK120349 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 10 Nov 81

[Excerpts] According to SICHUAN RIBAO, the provincial economics committee held a telephone conference on industry communications on 10 November to make further work arrangements for the remainder of this year. The meeting demanded that all enterprises continue to implement in depth the spirit of the provincial conferences on ideological and political work in factories, mines and other enterprises, and on industry and communications, ensure that industrial production this year is not lower than last year, and make preparations for next year's production. (Zhang Min), vice chairman of the provincial economics committee, presided at the meeting, and Vice Chairman (Wang Rui) made a speech. Vice Governor Wu Xihai also spoke.

The conference held that industry and communications production in Sichuan continued to rise steadily in October, following the all-round turn for the better in September. Total value of output showed a 1.2 percent increase over September, exceeding the demand for a 1 percent increase put forward by the provincial industry and communications work conference. The year's production plans have already been fulfilled for 28 out of 100 major products, including wristwatches, sewing machines, matches, dry-cell batteries, washing powder, beer, drugs, glass, steel and sulphuric acid. Production quotas for a further 18 products have been more than 90 percent fulfilled. Economic results in October were also good.

The conference called on industry and communications in the province to get a good grasp of the following tasks: 1) Promote production in the last 50 days of the year; 2) further perfect the economic responsibility systems; 3) do a good job in dovetailing this year's production and work with next year's; the key to doing this lies in getting a good grasp of work in December and January; 4) strengthen ideological and political work; 5) improve leadership style and methods.

BRIEFS

SICHUAN ENTERPRISE MANAGEMENT SOCIETY -- After 6 months' preparation, the Sichuan Enterprise Management Society held its inaugural meeting from 2 to 4 November in Chengdu. The aim of the society is to organize and motivate the members to unfold academic activities, sum up the experiences of enterprise management and study the methods and theories of Chinese socialist enterprise management. At the meeting, the representatives held that we should give priority to readjusting the enterprises and further perfecting the economic responsibility system so as to make more contributions to assist the enterprises to raise their economic effect. At the same time, we should launch more activities to promote the scientific management system and train management personnel. Huo Luogeng, vice president of the Chinese Enterprise Management Society and noted scientist, and Wu Xihai, vice governor of the provincial people's government, attended and spoke at the meeting. The first council of the society was elected. (Wang Rao) was elected the president. [Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 5 Nov 81 HK]

SHANXI'S HUO SHILIAN INSPECTS PREFECTURE

OW112051 Beijing XINHUA Domestic Service in Chinese 0244 GMT 11 Nov 81

[Report by XINHUA reporter Tian Peizhi [3944 1014 2784]]

[Excerpts] Taiyuan, 11 Nov (XINHUA) -- Recently Huo Shilian, first secretary of the Shanxi Provincial CCP Committee, went to Xinxian Prefecture to investigate and study the question of how to further improve the responsibility system of remuneration based on production output. In discussing the question with cadres at county, commune and brigade levels and commune members, he pointed out that a good job in building rural party branches and giving full play to the party members' exemplary vanguard role is the key to further improving and stabilizing this system.

Huo Shilian spent 21 days visiting 13 counties in the said prefecture, including Wuzhai, Pianguan, Hequ and Baode. He held discussions with nearly 100 people there, including masses and cadres from the party committee, 12 counties, 6 communes and 7 brigades. Huo Shilian said the work of implementing the responsibility system of remuneration based on production has been very fine and is developing healthily in these rural areas. Greatly delighted, the vast numbers of cadres and commune members are displaying soaring enthusiasm to promote production. Now most communes and production brigades on the northwestern Shanxi yellow loess plateau and in the Wutai mountain area have put into effect the responsibility system of fixing production quota and assigning work for each household. Practice has proved that in doing this they are going in the correct direction, and that their achievements are the principal result of this system. For this reason, the system must be continued. Although some problems will inevitably arise in the course of implementing the responsibility system, the cadres and communes will be able to gradually improve the system by summing up the experience obtained through continuous practice.

With regard to further improvement of the responsibility system of remuneration based on production, Huo Shilian said it is imperative to firmly grasp the ideological and political work in rural areas and to build the party branches there into fighting fortresses which can lead the broad masses of party members and masses to thoroughly implement the party's line, principles and policies formulated since its third plenum. Party branches are required to use various methods to intensify ideological and political education with the four basic principles and the resolution of the sixth party plenum as the main aspect of such education.

They should educate party members and masses to correctly deal with the interests of the state, the collective and individuals, to follow the state plan, to abide by the state laws and decrees and to fulfill the terms of work contracts. While it is all right for the commune members to become better off, it is impermissible to harm the interests of the state or the collective. To become better off, one should work hard to develop production; in no way should he make private gains at the expense of public interests.

They should educate party members and cadres to raise their consciousness of carrying out the party's policies. The main task at present is to further improve the responsibility system of remuneration based on production. Assigning work and fixing production quotas for each household are both reforms of managerial and operational methods on the basis of the collective economy; they are not changes in the form of the ownership system. The opinion that the responsibility system of fixing production quota and assigning work for each household is to divide the fields and work on one's own is incorrect.

They should educate party members and masses to promote socialist spiritual civilization, love the state and the collective, work diligently to become better off, unite with and love each other, help each other and take good care of existing public property. All bad elements and evil deeds undermining production work and stable life should be subjected to criticism and struggle.

Huo Shilian emphasized the need to educate party members on the basics of the party. He urged the broad masses of party members in Shanxi's rural areas to take the lead in fulfilling work contracts, and vigorously delivering the public-purchased grain. They should play a leading role in doing physical labor for the public, working for the interests of the masses, carrying forward the spirit of fraternal unity, and helping with the production work of households with material difficulties and families of martyrs and servicemen. In addition, they should take the lead in observing discipline, abiding by the law, struggling against bad elements and evil deeds and acting as models in implementing the party's line, principles and policies. Huo Shilian expressed the hope that county and commune party committees in various parts of Shanxi will include the building of grassroots party branches and the strengthening of education of party members in rural areas as items high on their agenda.

TIANJIN PLA TEAM AIDS LUAN HE DEVERSION PROJECT

SK120916 Tianjin City Service in Mandarin 0030 GMT 12 Nov 81

[Summary] "Yesterday the barracks of a certain PLA unit stationed in Tianjin was the scene of jubilation with the beating of drums and gongs and the waving of red flags. Soldiers gathered to see off a construction team to the Luan He diversion project site. Led by leader Wang Jiaxiang, deputy unit commander, and deputy leader (Xie Yuanzhong), division commander, the construction team was dispatched to assist in the project to divert Luan He water to Tianjin."

"To solve Tianjin's water shortage problem, the CCP Central Committee and the State Council decided to divert Luan He water to Tianjin. Upon hearing this decision, Yan Tongmao, unit commander, wrote to the higher authorities to express the PLA unit's willingness to undertake a most arduous task at the construction project." The party leaders of the PLA units at all levels have been concerned about the construction work. "Qin Jiwei, commander of the Beijing PLA units, recently visited Tianjin and delivered a mobilization report at an enlarged standing committee meeting of the PLA party committee attended by leaders at and above regimental level. He urged the PLA unit to fulfill the construction task entrusted by the Tianjin Municipal CCP Committee and to ensure good quality and speed in the work to bring benefits to the people of Tianjin and future generations. Xiao Xuanjin, deputy commander of the Beijing PLA units, and Wan Haifeng, deputy political commissar, also visited the Luan He diversion project to inspect the surroundings, hear reports, study construction plans and dispatch backbone technical cadres from the Beijing PLA units to give instructions to the workers."

"Leaders of the PLA unit stationed in Tianjin, including Yan Tongmao, Wang Jiaxiang, and (Wang Gengfang) visited the construction site three times to acquaint themselves with the situation, to assign PLA units to undertake the construction work and dispatch engineering corps and backbone technical cadres to help in the project." To fulfill this task, the PLA units grouped themselves into seven teams to share the responsibility. Ideological mobilization work was conducted among soldiers and cadres to help them understand the importance of this construction project and to display confidence in fulfilling this task. "This Tianjin construction team was dispatched to make preparations for the Luan He water diversion project. All preparations soon will be completed."

CHISHIN NIENTAI ON REUNIFICATION OF CHINA

HK120912 Hong Kong CHISHIN NIENTAI in Chinese No 11, 1 Nov 81 pp 14-20

[Unattributed article: "Various Views on the Reunification Issue"]

[Text] The nine-point proposal on the reunification of China, made by Ye Jianying in his capacity as chairman of the NPC Standing Committee, has caused a great deal of comment in various quarters. This journal has also gathered various views from many angles which may be used by the readers for reference.

Background Material

Ye Jianying, chairman of the NPC Standing Committee, in a statement to a reporter of the XINHUA NEWS AGENCY on 30 September outlined nine points:

1. In order to bring an end to the unfortunate division of the Chinese nation as early as possible, we propose that talks be held between the Chinese Communist Party and the Chinese Kuomintang on a reciprocal basis so that the two parties will cooperate for the third time to accomplish the great cause of national reunification. The two sides may first send people to meet for an exhaustive exchange of views.
 2. It is the urgent desire of the people of all nationalities on both sides of the strait to communicate with each other, to reunite with their relatives, to develop trade and increase mutual understanding. We propose that the two sides make arrangements to facilitate the exchange of mails, trade, air and shipping services, and visits by relatives and tourists as well as academic, cultural and sports exchanges, and to reach an agreement thereupon.
 3. After the country is reunified, Taiwan can enjoy a high degree of autonomy as a special administrative region and it can retain its armed forces. The central government will not interfere with local affairs on Taiwan.
 4. Taiwan's current socioeconomic system will remain unchanged, as will its way of life and its economic and cultural relations with foreign countries. There will be no encroachment on the proprietary rights and lawful right of inheritance over private property, houses, land and enterprises, or on foreign investments.
 5. People in authority and representative personages of various circles in Taiwan may take up posts of leadership in national political bodies and participate in the running of the state.
 6. When Taiwan's local finances are in difficulty, the central government may subsidize them to a degree suitable in the circumstances.
 7. For people of all nationalities and public figures of various circles in Taiwan who wish to come and settle on the mainland, it is guaranteed that proper arrangements will be made for them, that there will be no discrimination against them, and they will have the freedom of entry and exit.
 8. Industrialists and businessmen in Taiwan are welcome to invest and engage in various economic undertakings on the mainland, and their legal rights, interests and profits are guaranteed.
 9. The reunification of the motherland is the responsibility of all Chinese. We sincerely welcome people of all nationalities, public figures of all circles and all mass organizations in Taiwan to make proposals and suggestions regarding affairs of state through various channels and in various ways.
- Sun Yun-hsuan, president of the Administrative Yuan of the KMT government in Taiwan, at a meeting of the Legislative Yuan on 2 October, said: "On the question of the reunification of the country, we insist that it must be in accordance with the provision of the Constitution of the Republic of China based on the three people's principles and be set up as a democratic republic owned by the people, administered by the people and enjoyed by the people. We will not consider anything apart from this."

He said: "The nine-point proposal made by the Chinese communists this time seems quite concrete, but it in fact has not mentioned the key problem. The crux of today's problem is whether China should adopt a free democratic system or a totalitarian dictatorship system." "We practice benevolent rule whereas the Chinese communists practice despotic rule. There is no room for reconciliation or compromise between the two. It is absolutely not the case that, as the Chinese communists have said, this is just contention between the KMT and the CCP, and if both parties share the country there will be peace across the land."

The Views of Various Quarters

The KMT-CCP Talks Must Absolutely Respect Democracy

Kuo Yu-hsin (a well-known pioneer of the Taiwan democratic movement and currently a responsible member of the "Taiwan Democratic Movement Overseas League")

In regard to the specific contents of the statement of Chairman Ye Jianying, we have made the following analyses:

1. We are of the opinion that peaceful negotiations between the CCP and the KMT are an essential means of resolving the contradiction on both sides of the Taiwan Strait. However, we firmly oppose any agreement reached by both parties, even though it may represent all the interests and dreams of the people of Taiwan. For more than 30 years, the KMT authorities have done everything possible to maintain the feudal interests abandoned in the past by mainland China. Although certain achievements have been made in socioeconomic development by the efforts of the people of Taiwan, the basic party and political system still belongs to the "central government" which purports to represent the whole of China. It is an acknowledged fact that this government apparatus is controlled by the KMT authorities. To regard this apparatus and the KMT authorities as the representatives of the popular will of Taiwan is to deceive ourselves as well as others. Just imagine, how can the present "national congress deputies" and "Legislative Yuan members" represent the will of the people of Taiwan? In proposing talks between the KMT and the CCP on a reciprocal basis, NPC Chairman Ye Jianying should draw a clear distinction between the concepts of "political parties" and "government authorities." The sending of people by both sides to meet for an exhaustive exchange of views is a basic civilized political method, and there is nothing wrong with that. However, the tempting condition of acknowledging the rights of the KMT authorities to retain their armed forces, government and socioeconomic interests before the holding of talks is a backward, feudal, political concept.

2. Because of the vestiges of feudal political ideas, Chairman Ye Jianying's statement is filled with petty matters of rights and interests. Among the conditions listed by Chairman Ye Jianying are Taiwan's current socioeconomic system will remain unchanged; there will be no encroachment of various rights and people in authority; and representative personages of various circles may return to the mainland and participate in the running of the state. All these sound as though they are an appeasement to the popular feeling of all the people of Taiwan. Whether this was intentional or not, the KMT authorities in Taiwan are obviously aware of to whom all these conditions have been offered.

3. On the other hand, Chairman Ye Jianying's statement has not omitted the "public figures of all circles" and "all mass organizations." If these are not decorative words, then the proposal in the statement is not specific enough for the people concerned. However, under such conditions as martial law, party bans, censorship and the arrest and persecution of non-KMT public figures, how can there be genuine public figures in any circles and how can mass organizations be set up? Even now, the KMT has not given up using such pretexts as "giving publicity to the enemy" and "linking up with the enemy" to frame such non-KMT public figures as Yu Teng-fa and Huang Hsin-chieh. Unless such political figures are released from prison and the popular will of the various circles they represent is accepted, apart from the KMT authorities, where can any view be obtained from public figures in any circles or any mass organizations in Taiwan for the talks?

4. In conclusion, we wish to reiterate our approbation of continued progress in the KMT-CCP talks. However, we cannot help but raise this question: In the talks between the two sides, what practical action can be taken to ensure that the views of the broad masses of Taiwan compatriots are taken into consideration? We stress that the "fundamental interests" of the people cannot be conveyed by individual nonaffiliated political figures or by a handful of people who are already in control of absolute political power. Only by guaranteeing the political rights of every citizen and by the organized and free competition of political bodies can the interests of the broad masses of people be represented. Therefore, we appeal to both the KMT and the CCP to earnestly consider respecting this highest principle of democracy. We believe that the ancient sages and prophets of both the KMT and the CCP had the lofty ideal of political democracy in mind when they first founded their parties. We are even more convinced that realizing democracy is the ideal of every modern citizen.

More on the Reunification of China

Weng Sung-jan (professor of the department of politics and public administration, University of Hong Kong)

On New Year's Day 1979, the CCP published a "message to compatriots in Taiwan" and placed the question of reunification "on the agenda." Over the last 2 years, many of the views which appeared in print have been compiled and printed in two pamphlets published by the Beijing publishing house. The Taiwan authorities have all along treated this as a united front offensive. At the same time, they have called on the CCP to "take a lesson from Taipei" in economics and politics, renounce communism and then discuss again how to seek reunification on the basis of the three people's principles. Each side stuck to its own view, and there was no sign of any desire or genuine progress in bringing about the reunification of China.

This October, the CCP made another attempt, put forward a more concrete and magnanimous "nine-point proposal" and also invited the important people in Taiwan to visit the mainland. At the same time, for the first time in 32 years, they staged a massive celebration to mark the 70th anniversary of the 1911 revolution and tried to outdo the Taiwan authorities in praising Dr Sun Yat-sen. They also held a symposium on the 1911 revolution, published "The National History of China" and also repaired and reopened the commemoration hall. Outwardly, the CCP seemed to have made a mistake in celebrating the "double tenth," but actually, they have more or less stolen the limelight, appropriated the "double tenth" and made it into just another holiday without the meaning of a "national day."

In summing up all these developments, the writer has the following impressions:

In the first place, the writer feels that there is very little which is feasible in the "nine-point proposal." Apart from the exchange of mail, trade, air and shipping services and visits by relatives and tourists as well as academic, cultural and sports exchanges which can be explored and developed, conditions are still not suitable for the other points. In other words, there are still obstacles. The proposal made by the CCP is too generous and is not logical. It gives people the impression that they are trying to swallow Taiwan first and then to slowly digest it later.

The illogical parts are for example, the offer that Taiwan can retain its own armed forces seems to be almost too generous. Actually, after the reunification, what use has Taiwan for an army? Could it be possible that the CCP is encouraging the Taiwan authorities to use it for suppressing internal opposition forces? The CCP said that there will be no interference in the local affairs of Taiwan, but still wants representative personages of various circles to participate in the running of the state. How can this be possible? Taiwan's present socioeconomic system will remain unchanged and the way of life of the people will also be unchanged.

Such concessions infer a tacit admission that the existing system or existing conditions in Taiwan are obviously superior to that on the mainland. This is an unsolicited confession on the part of the CCP. However, if the "four basic principles" are still upheld, then "unchanged" is only a bait, and once taken, Taiwan would be hooked.

There are also a few obstacles which can be listed. The most important one is naturally the great disparity in standards of living. The fact is that the standard of living in Taiwan is high and the standard of living in mainland China is low. If this was reversed and the standard of living in mainland China was higher than in Taiwan, then the possibility of peaceful reunification would be greatly enhanced. Another obstacle is the fear of the people of Taiwan regarding the communist system. This mentality is deep-seated. The recent disclosures made by the CCP of the great numbers of people who suffered from unjust, false and wrong cases during the 10 years of the Cultural Revolution have put them on their guard against peaceful negotiations. Judging from these conditions, the timing for peaceful negotiations of reunification is indeed premature.

In the second place, the writer thinks that the "nine-point proposal" has the tendency to pay more attention to people in authority and representative personages and looks down on the masses than "message to compatriots in Taiwan." The first, third, fifth and sixth points in the "nine-point proposal" are aimed at the Taiwan authorities. Those who can benefit from the second, seventh and eighth points are basically also people with money and influence. The last point is hollow and devoid of content.

In 1979, the CCP celebrated the "28 February" incident. They do not seem to have done so in 1980 and 1981.

The CCP has invited the heads of government, people in authority and representative personages to visit the mainland. The fact that they have repaired the ancestral tomb of the Chiang family shows even more clearly that they have the high officials in mind. I am afraid that this will give people the wrong impression of "inducing the Taiwan authorities to sell out the people of Taiwan."

In the third place, the more the CCP scales down its "hostile attitude" toward Taiwan, the greater will be the pressure on the Taiwan authorities. The "nine-point proposal" has had quite an impact in this respect. The reason the exchange of mails, trade, air and shipping services, and visits by relatives and tourists as well as academic, cultural and sports exchanges are more acceptable is because the people can see the direct advantages in this respect, and they are also less likely to be regarded as "tactics of the united front." The carrying out of the exchange of mails, trade, air and shipping services, and the visits of relatives and tourists as well as academic, cultural and sports exchanges can perhaps bring a more genial climate to the Taiwan Strait and promote understanding and harmony between the two sides. However, sincerity and good faith for reunification are still not enough. If both sides can deal sincerely with each other and turn enmity into peaceful competition, that will be the best development. It is understandable why Taiwan cannot accept the "nine-point proposal." If the CCP can announce giving up the use of force to liberate Taiwan, then Taiwan will be placed at a complete disadvantage, and the pressure on it will mount. Consequently, the timing for peaceful negotiations can also be correspondingly advanced.

In the fourth place, there is common ground between the CCP and the KMT and that is the 1911 revolution and the three people's principles of Dr Sun Yat-sen. The writer warmly applauds the CCP for commemorating the 1911 revolution, showing high esteem for Dr Sun Yat-sen and playing up the three people's principles. I hope that the intention of the CCP is not just a trick to confuse the issue or to steal and conceal the National Day of the "Republic of China." They should create more conditions and establish a basis on this common ground for peaceful negotiations and peaceful reunification.

In conclusion, the writer hopes that in the exchanges at the present stage, both the CCP and the KMT can continue to criticize and compete with each other. Taiwan naturally can put forward another proposal and concretely explain why China must take the road of Taiwan.

In a country such as China, which does not have the tradition of democratic parties holding the reins of state power, the existence of two factions criticizing and competing with each other will certainly be a very great help in setting up a healthy political system in the future. Those who will ultimately benefit will be the broad masses of Chinese people both in China and overseas.

The Three People's Principles Means Socialism

Wang Techao (senior research fellow at the Chinese Cultural Research Institute of the Chinese University of Hong Kong who attended "the academic seminar on the 70th anniversary of the 1911 revolution" on the mainland 4 - 11 October and was interviewed by our correspondent after his return to Hong Kong.)

Question: Did you hear people talking about Ye Jianying's nine-point statement during your stay on the mainland to attend the "academic seminar on the 70th anniversary of the 1911 revolution?"

Answer: During my 2 weeks' stay on the mainland, I spent several days in Beijing, Wuhan and Guangzhou. I often heard people talking about Chairman Ye Jianying's nine-point statement both at public meetings and in private talks.

I feel Beijing's desire to hold talks with Taipei and achieve a peaceful reunification of the state is earnest and sincere.

Question: What do you think is the common view of ordinary people toward peaceful reunification?

Answer: It is my feeling that the strongest desire of the people is that China should be reunified and become prosperous after suffering from foreign aggression over the past 100 years or so. I was studying in a senior secondary school when the "18 September" incident occurred in which Japan launched a war against China, and when the "9 December" anti-Japanese student movement was waged, I was studying at a university. Being an active participant in the student movement at that time, I was once asked how I could deal with that complicated situation since, as it was said, the student movements before the war of resistance against Japan had various political bases. My answer was that I never personally took political bases into account. At that time, the aim of student movements was to resist Japanese aggression. Those among my teachers and schoolmates who supported resistance against Japanese aggression were my friends and we fought on the same battleground, and all those who did not support resistance against Japan were not my friends. I believe this was the common feeling of the ordinary Chinese people at that time. It is very easy to understand the people's feeling during the war of resistance against Japan. Thus, if we similarly examine the current feeling of the Chinese people, we find that the reunification and prosperity of China accords with the will of the people.

Question: Now Taipei has insisted on "unifying China under the three people's principles" and rejected Beijing's proposal, while Beijing continues to hold that the CCP has already realized Dr Sun Yat-sen's three people's principles and led China into the socialist stage which is a more advanced stage. Under such a situation when one side insists on the three people's principles and the other insists on socialism, do you think there is still room for compromise on this question?

Answer: Although the "three people's principles" and "socialism" have their definite meanings, when both sides insist on their own doctrines, this disagreement can easily become an argument about the meaning of nouns and be restricted by it. The important thing should be the essence of the principles both sides are carrying out. Essentially, the principles of the people's livelihood put forth by Dr Sun Yat-sen is another way of saying socialism, so the two meanings refer to the same thing. This is because there is common ground for various types of socialism, that is, the public ownership of natural resources and the means of production, the promotion of equal distribution of wealth, and the guarantee of civil rights.

With regard to such a common ground, the principle of the people's livelihood, or, the "three people's principles" certainly means "socialism." Moreover, Dr Sun Yat-sen even regarded "the great harmony under heaven, and the world of all" as the ultimate goal of the three people's principles. We can draw a conclusion from the past 100 to 200 years of Chinese history that the great goal of socialism is the general trend of our era. Since both Taipei and Beijing are taking socialism (or, the three people's principles) as their goal for building the country, their disagreement should not be about the ultimate goal but be about how to realize this goal. So, in my opinion, it would be most applicable at present to find a way acceptable by both sides to achieve reunification. If such a way is found, both sides should be sincere and earnest in putting it into practice and realize the unification of the country. Otherwise, there still will be the danger of setbacks in the future.

Can China's Peace Proposal Achieve the Objective of Reunification?

Hsieh Tsung-min (a law graduate of Taiwan University, he was sentenced to imprisonment in 1964 for his involvement in the Peng Ming-min case and is now living in the United States.)

The Chiang clique killed the mother and daughter of Lin Yi-hsiung, a member of the provincial legislative assembly, and Professor Chen Wen-cheng not long ago. Did the Chinese Government consider the fact that the bloodstains on the hands of the Chiang clique will stain the hands of Chinese leaders when it put forth liberal terms to pacify the Chiang clique?

Perhaps Chinese leaders considered this merely as a means to achieve the reunification of China and that those who are doing great things should not be very punctilious. But we should also examine whether this policy can achieve the objective and whether this will produce results contrary to the objective.

In fact, the Chiang clique is not in a position to accept the terms of the Chinese Government. In Taiwan, the Chiang clique exercises its rule under the name of the Chinese "central government." The Chiang clique has adopted the airs of being the heir to the dragon and regards itself as the "chosen element" who should rule China. These political myths will be smashed once it is reduced to the status of a "local government." It is therefore impossible for the Chiang clique to cast off these political myths by itself.

The Chinese Government seems to spend a lot of time discussing the preferential terms it is going to give the Chiang clique. If the Chiang clique refuses to give up the name of "central government," these terms become meaningless. In fact, even if the Chinese Government recognizes the Chiang clique as an "independent state," the Chiang clique may not accept it. As I understand it, the leaders of conservative groups in both the United States and Japan attempted to persuade the Chiang clique to declare its independence, but this was rejected by Chiang Kai-shek and his son. This is because the basis of the Chiang clique's rule in Taiwan has been wholly built on the political myth that "the Chinese central government will soon launch a counterattack against the mainland."

Since the offensive of peaceful reunification has been rejected by the Chiang clique, the Chinese Government should understand that, if it wants to terminate the hostilities between Taiwan and China, it should get in touch with the revolutionary organizations of the Taiwan people. Under the rule of the Chiang clique, the workers and peasants suffer enough from exploitation, while the merchants who are in a comparatively advantageous position are also fettered layer upon layer by irrational limitations and exorbitant taxes and levies. Being a country with a great ideal, how can the PRC support this fascist regime's continuous oppression of the people of Taiwan? I have read the nine-point proposal of the Chinese Government several times; it is a pity that I cannot find a sentence that truly speaks for the people of Taiwan.

National Assembly Is the Way to Democracy and Reunification

Wang Hsiao-po (a former lecturer of the philosophy department of Taiwan University who is now an assistant professor at World News College [shi jie xin wen zhuan xiao 0013 3954 2450 5113 1413 2699]). The following are excerpts from his article "The Way to Democracy and Reunification -- The National Assembly" published in the 219th issue of ZHONGHUA ZAZHI [CHINA MAGAZINE].

In his "statement for a trip to the north" Dr Sun Yat-sen put forth the proposal of a "national assembly." He said, "With respect to the current political situation, I propose the convocation of a national assembly in order to seek the reunification and construction of China. Prior to this national assembly, I propose the convocation of a preparatory meeting to determine the basis, terms, convening date and election methods of the national assembly."

The delegates of various organizations to the preparatory meeting should include: 1) modern industrial organizations; 2) chambers of commerce; 3) educational associations; 4) universities and colleges; 5) federations of student unions of various provinces; 6) trade unions; 7) peasants' associations; 8) concerted action against the armies of Cao Kun and Wupeifu; and 9) political parties. It is also believed that the delegates mentioned above are to be designated by the various organizations and institutions, and the fewer the number of delegates the better the order of the assembly and the sooner it can be held.

As for the national assembly itself, he said: "The organizations and the delegates of organizations to the national assembly should basically be the same as those at the preparatory meeting, but the delegates should be elected directly by members of said organizations and the number of delegates to the national assembly should be greater than those to the preparatory meeting. The armies throughout the country can elect their delegates by the same methods in order to attend the national assembly as nonvoting delegates. Prior to the national assembly, all political prisoners in the provinces should be granted complete amnesty, and the freedom of choice and of putting forward motions and carrying out publicity in all organizations to inform all the people in various places should be guaranteed."

According to Dr Sun Yat-sen's concept, the national assembly was to be a completely democratic one in which no political organization could be allowed to monopolize and gain control by undemocratic means.

The national assembly proposed by Dr Sun Yat-sen was by no means a "united front" but was aimed at achieving democracy and the reunification of China.

Judging from modern world history, advocates of nationalism support democracy and reunification at home and independence and self-government abroad. Therefore, it cannot but oppose autocracy and totalitarianism at home and oppose imperialism abroad.

"Kuomintang-communist peace talks" are nothing but the "assembly of notables" of Louis XVI or the "aftermath conference" of Duan Qirui, and will certainly be controlled by the "real power faction." It is not the way to democracy and it will certainly treat the people's will with indifference. As an intellectual who upholds the stand of the Chinese people, I do not have any reasons for agreeing to it.

Being an intellectual and not a politician, I can only uphold the stand of the country and people and air my views with the conscience of a knowledgeable person. It is not known how history will develop in the future, but I believe that a national assembly is the only way to genuine democracy and peaceful reunification of China. I also believe that China can achieve genuine peace, democracy and reunification through a national assembly. Therefore, although I stand for the reunification of China, I cannot agree to the proposal of reunifying China by means of "Kuomintang-communist peace talks."

On the Question of Reunification, Popular Will Should Have the Opportunity To Be Reflected

Chen Kuying (former assistant professor of the philosophy department of Taiwan University, who now serves as a research student of Chinese culture at University of California, Berkeley.)

1. Reunification should not be discussed by two parties behind closed doors because it concerns the entire people. When the will of the parties cannot represent the popular will, the latter should have the opportunity to be reflected.
2. After reunification, the economic systems and the people's livelihood of both sides should change in a positive direction and the practice of "taking military affairs and administration into one's own hands" and the system of unlimited terms of office for senior officials on the mainland should be changed.
3. On the term that "Taiwan can retain its armed forces after reunification," it should be added that the objective of establishing armies by both sides is to resist Soviet expansionism.
4. It is necessary to take into account the scars of the people of this province caused by the historical incidents peculiar to Taiwan.
5. China has a lot of problems. It is necessary for the people of Taiwan to adopt an overall point of view and build the whole country together with the compatriots on the mainland.
6. It is necessary to open up the "three communications" and allow people-to-people direct exchanges and academic exchanges. For example, Xiamen and Tainan can cooperate on archaeological and phonetics studies, and Guangzhou and Kaohsiung can exchange experience and technology in the processing area and special economic areas.

My Nine-Point Views

Luo Fu (editor-in-chief of HSIN WAN BAO and deputy editor-in-chief of TA KUNG PAO in Hong Kong)

1. Some people said that "talks should be held on a reciprocal basis," which is rather superfluous. How can talks be held on a nonreciprocal basis? In fact, as there are differences in size, strength and outcome, talks cannot always be held on a reciprocal basis. That is why the expression of "holding the talks on a reciprocal basis" is stressed. The fact that one side treats the other side as an equal shows the respect and sincerity of that side.
2. Certain people among the Taiwan authorities have said that the Kuomintang and the communists had never cooperated, and that there never was a first or a second cooperation. The first was called "tolerating the communists" and the second was probably "pledging allegiance." In a word, they were not cooperation. Therefore, there is no possibility of a third cooperation. But the facts were all there. The first time, the Kuomintang and the communists cooperated in the northern expedition, and the second time, they fought against Japan side by side. They were recorded clearly in the annals of modern Chinese history. The situation is different today. Is the small "tolerating" the big? Is the big "pledging allegiance" to the small? The only purpose of negating cooperation in history is to look for grounds to negate practical cooperation. It not only serves as a laughingstock to historians to alter history in this way, but those who negate history will eventually be negated by history.
3. Three communications and four exchanges have in fact existed in certain forms. People have seen and heard about indirect postal communications and trade and direct academic, cultural and sports exchanges in international multilateral exchanges, and these have left an impression on them. Direct communications and bilateral exchanges are all that is lacking. To refuse communications and exchanges between the two sides, especially postal communications, is unpopular, as it highly violates normal human feelings. If you are afraid that one side will be sending intelligence, you can examine postal matters.

Postal communication will not cause any losses, neither will it endanger security. It will only make those who resolutely refuse postal communication lose their images in the minds of millions and even hundreds of millions of people. This foolish fact should not be allowed to continue.

4. Some people have said, since Taiwan can maintain all its present conditions, this shows that reunification is not beneficial to Taiwan. Of what use is reunification? It should be known that it is beneficial to certain people to maintain Taiwan's present condition because the present condition may possibly not remain unchanged. How can we say it is not beneficial since reunification is the righteous cause of the nation, the interest of the state and the great cause of a thousand years. Yu Yu-jen said: "When calculating interests, it is necessary to calculate the interests of the state."

5. People in Taiwan have said that it is necessary to change the present unsatisfactory situation. To them, maintaining the status quo is not just profitless but rather harmful. As a matter of fact, the nine-point proposal does not impose restrictions on changing the status quo; it only takes the stand of "not interfering," and thus does not offer assistance to change it. It will be up to the inhabitants of the island to decide whether they change the status quo or not. There will by no means be any harm, if no benefits.

6. Maintaining the status quo certainly does not mean absolutely not changing anything. Nothing in the world can remain absolutely unchanged. There will be changes amid the situation of no change. The change will be from a "country" to a "district" -- a special district. The country's original hierarchy will change including the titles of "president," "congress" and so forth. The title of "president" will be changed to "district chairman." Although this seems to be a minor title, the name matches the reality in a truth-seeking way. If the original "president" is going to take up office or take up a concurrent job in Beijing, it will be considered as a position of a deputy to the chief of an office. But in fact, the post is more senior than the original one as in the ratio of 1 billion to 17 million. Some people say that it is "better to be the head of a dog than the tail of a lion." But it depends on whether you have the generosity to be a lion of unification, even though it is the "tail," or are determined to be a dog of division in order to keep the selfish "head."

7. Some people have said it is a settlement of two parties and does not concern the people. However, both parties are the ruling parties; the Communist Party is the ruling party of mainland China and the Kuomintang is the ruling party in Taiwan. If the question of party is solved, the principal question will be solved. This is the key to seeking truth from facts. Otherwise, we will only make matters worse and will not be able to get things into shape. People should not just be quiet spectators; they can make proposals and play active roles in order to make the strength of democracy prominent.

8. People in Taiwan have said the key to the entire issue lies in Taiwan, but why do the Taiwan people have no power to speak? In fact, this is not true. The ninth point of the proposal already mentions consultation on state affairs through various channels after the negotiations. If the negotiations prove to be successful, then according to the fifth point, Taiwan leaders could take up leadership posts of national political organs and participate in the management of state affairs. These two points are closely related to the Taiwan people who not only have the power to speak out but also the power to rule the country.

9. The strange thing is that the nine-point proposal was cursed and satirized by certain people here. The pursuit of peaceful reunification, regardless of its form, is a good thing. What is the point of cursing it? Is it true that we must act in a diametrically opposite way in order to gain applause? The pursuit of peaceful reunification is satirized as "suing for peace," assuming that the other party has been defeated. One must admire their spirit of Ah Q! The Taiwan authorities even demanded that the other side obey them. This really seemed to be using a rod of 4 liang to stir things that weigh 1,000 jin. Perhaps they are not lacking in self-knowledge but do not have the decency to work for the benefit of the country with one heart.

Taiwan claims that it has been proceeding on the right path and has asked mainland China to follow the same road, but how about retreating ten thousand paces now and launching a peaceful competition after accomplishing peaceful reunification, and change later if the competition shows that its partner is wrong? Which is better, competition after peaceful reunification or competition amid confrontations and in a situation of division?

Starting With the Second Point

Chen Jo-hsi (a well-known Taiwan writer now working for the YUANDONG SHIBAO [FAR EAST DAILY] published in the Chinese language in the United States.) (The following is a recorded telephone interview.)

I think that some progress has been made, as far as the way Ye Jianying put forward the nine points is concerned. First, the greatest progress made is relatively concrete. In the past, it was just a case of raising such hollow slogans as "peaceful reunification," "three communications," and so forth. This time things were put in more detailed terms and the scope was also broader. Second, what impresses me is that it is far from the previous threatening tone -- which could have been translated as: "If you don't sit down to peace talks, I shall resort to force to seek a solution." This approach aroused unfavorable reaction from many people. It was like a case of coercion, leaving people no room for choice. Now, there is no detectable hint of such a threatening tone.

Another thing I want to say is that I doubt whether many of the points suggested can actually be put into practice. For example, what is said about "retaining control of the army" can hardly be believed. I think the Kuomintang is unlikely to believe this. Also, the fifth point says that "the Taiwan authorities and representatives of the people in all circles may assume leadership duties in national political organs and participate in managing state affairs." What are those organs, actually? What duties are they to assume? How do they share the management of state affairs? Does this mean participation in the management of the CPPCC? If it is just the management of the CPPCC, then it is a display of a "political flower vase" for the sake of appearances. I think the people of Taiwan will not show any interest.

In addition, I feel that the nine points seem to leave people with the impression that reunification is chiefly a matter between the Kuomintang and the Chinese communists. It seems that the Chinese communists offer unusually liberal terms, but these terms can only benefit the Kuomintang and seem to have little to do with the interests of the people.

I believe that of the nine points, the second is relatively compatible with reality and may be considered necessary. I think that both sides may first arrange for various kinds of contact, such as communication by mail, visiting relatives, making cultural exchanges, and exchanging visits. The scope of contact may gradually be enlarged to cover trade. If there is any problem encountered in practice, a timely revision may be made. Proceeding with things, step by step, in this way offers a relatively feasible solution.

Views on Beijing's Peace Proposal

A resident of Taiwan (The following is a contribution from a well-known Taiwan person, resident in the United States, who does not want to reveal his identity.)

The Beijing authorities suggested that the Kuomintang and the Chinese communists hold talks on an equal footing. Some people abroad say that the Kuomintang can at most represent only 2 million-plus party members and that the Communist Party can also represent at most 30 million-plus party members. On what grounds can they discuss the problem of reunification on behalf of the whole people?

In my personal opinion, the Kuomintang and the Chinese Communist Party may themselves hold talks as they like, but the subject of discussion should not be the problem of reunification but rather, the second point in the "nine-point proposal" or the suggestion about such problems as trade, visiting relatives, travel, shipping and air services, and academic, cultural and sports exchanges. Agreement may be reached on this first as a legitimate basis for the conduct of trade and other exchanges between the two sides of the strait. A point worth noting is that the Taiwan authorities have all along refused to face up to this problem. As a result, there have occurred repeated cases where some Taiwan residents are sentenced by police headquarters on charges of "rebellion" for no other reason than that they once took a trip to the mainland or that they once tried to make such a trip but without success. This is very unfortunate. Now is the time to seriously review this problem.

In regard to the problem of reunification, we must look at the development of things into the distant future and work out all the details for discussion. We must also take the wishes of the people as a basis. In my personal opinion, an economic community should first be established. Only on the basis of economic cooperation can there be talk about political unity; to determine the possibility of economic cooperation, Taiwan and the mainland must commence extensive exchanges. In the course of their exchanges and contacts with the people of the mainland, people in all circles in Taiwan will make a relatively wise decision on this sensitive problem of reunification. The Beijing and Taiwan authorities must respect the wishes of the people. Even when the time is ripe for the discussion of the problem of reunification, representatives of people in all circles must be invited to participate. Things should not be put entirely in the hands of the two parties.

In Beijing's "nine-point proposal," it was pointed out: "We warmly welcome compatriots of all nationalities, people in all circles, and all mass organizations in Taiwan to put forward, through various channels and by various means, suggestions on a joint discussion of national affairs." People in all circles abroad and people of Taiwan might as well test the sincerity of the Chinese communists in this respect. Mutual trust and understanding can be established only through actual contact. Whether the Chinese communists are sincere can be discovered only through actual contact.

Most noteworthy is the third point in the "nine-point proposal." The Beijing authorities have promised "a high degree of autonomy" for Taiwan and the retention of control of the army, but only on the condition that Taiwan become "a special administrative district." This is to say that the "central government" must be removed and a local government formed instead. This matter concerns the elimination or, existence, discontinuation or continuation of the "legitimate rule" of the Kuomintang. Here lies the main reason why the Kuomintang has once again refused to hold peace talks. But from the standpoint of the people of Taiwan, the elimination of the "central government" is a highly welcome event. This is because for over 30 years, the overlapping power structure on a small island run by both the "provincial government" and the "central government" has involved a big outlay. The lawmaking body has long been relegated to the background, while military and police forces and the secret service have asserted their authority. This very irrational and unhealthy political system has a very unfavorable effect on the economy of Taiwan and its democratic future. It should have long ago been subjected to sweeping reform. Therefore, in the course of seeking reunification, we should strive for a rational settlement of these problems in the political system through compromise and consultation on the part of three sides -- the Beijing authorities, the people of Taiwan and the Kuomintang. This calls for the elimination of the "central government," the abolition of martial law and the secret service, a big arms reduction and the establishment of a modern political apparatus (including an opposition party and a congress of the people of Taiwan) to safeguard democratic autonomy and the participation of the working class and peasants in government. Only by achieving this can the matter of reunification receive the support of the people of Taiwan.

The Kuomintang is, of course at present, unwilling to do this. But it should be noted that "legitimacy" is a prerequisite for the existence of a government. With the severing of diplomatic relations between the United States and Taiwan and the abolition of the mutual defense treaty, the "legitimacy" of the Kuomintang regime on the domestic and international scene has come near to being lost. This is a fatal blow to it. If the Kuomintang should refuse to change its political structure for a long time to come, it will face a political crisis.

The full realization of democracy is the only road to reunification. (A statement from the "Chicago association in support of the Taiwan democratic movement.")

We have basically regarded the recent proposal by Ye Jianying as an appeal for peaceful reunification issued on behalf of the people of the mainland of China.

From our standpoint as supporters of democracy, we have the following to say:

1. From the democratic standpoint, we believe that negotiating representatives from only the Chinese Communist Party and the Kuomintang can never really represent the democratic opinions of the two regions. At present, the democratic life of the people of the mainland of China and Taiwan has not received proper protection. A most obvious case is that these two political parties in power are suppressing local freedom of expression and suppressing other political parties whose normal growth is made impossible. Although they are different to a degree, these two political parties in power cannot adequately represent the opinions of the great majority of people in the regions separately ruled by them. We believe that without the adequate participation of political forces, (which are capable of representing the democratic opinions of the people) other than the Communist Party and the Kuomintang, we cannot make a decision about whether or not negotiations should be conducted, or whether to actually conduct negotiations. If we do so, without the adequate participation of other political forces, this will be harmful to the full realization of democracy and may lead to a repetition of a historical tragedy.
2. The full realization of democracy is the only road to be followed if we are to avoid any unnecessary disaster once again befalling the people of the mainland of China and Taiwan. In Taiwan, the democratic movement has boomed in recent years but has been repeatedly ruthlessly suppressed by the Kuomintang. This points to the weak foundation of the Kuomintang government in Taiwan and the Kuomintang's sense of insecurity. The people of the mainland of China must take note of the fact that the Kuomintang is not representative of the wishes of the people of Taiwan. In their subjective desire for reunification, they cannot just appeal for talks with the Kuomintang, erroneously regarding the Kuomintang as a political body representative of the people of Taiwan. This would only leave people with the impression that the people of the mainland of China are imposing the undemocratic rule of the Kuomintang upon the people of Taiwan.
3. The Kuomintang has repeatedly turned down appeals for "three communications," "four exchanges" and other such appeals that would help promote exchanges between the people of the two regions and benefit the people, and has rejected other appeals for peaceful reunification. Apart from raising the hollow slogan of "using the three people's principles to reunify China," it has not put forward any relatively concrete or feasible suggestion or measure. This is an unusually irresponsible attitude. In fact, in their appeal to Taiwan for peaceful reunification in the recent announcement, the people of the mainland of China placed particular emphasis on the Kuomintang as the party with whom to conduct negotiations. With the appeal made this way, the Kuomintang's rejection or acceptance will be entirely prompted by its own interests and by whether it can continue its undemocratic rule in Taiwan. Its decision is not likely to be motivated by the welfare and the future of the people of Taiwan. The Kuomintang's rejection may be attributed to the fact that it wants to maintain the stability of its own regime and to use antagonism with the mainland of China to safeguard the legitimacy of its own regime.

Meanwhile, it wants to continually use education among the people such as that calling for "a counterattack" and "a show of hatred for communists" to keep the people of Taiwan increasingly emotionally distant from the mainland. But if the Kuomintang increasingly feels it impossible to further maintain its rule in Taiwan, such a proposal for peaceful reunification will in the future very likely induce it to accept the appeal for talks. The reason is that it can use such talks to ensure the actual continuation of its government in Taiwan and the continuation of its undemocratic rule over the people of Taiwan. This will actually prove to be the very opposite of the expectations of the Chinese people. The people of Taiwan will also be reduced to living an undemocratic and fettered life. Therefore, we must stress that it is particularly wrong if talks are held just with the Kuomintang or if the Kuomintang is especially stressed as the party with whom negotiations are to be conducted, and if we neglect or fail to emphasize other, democratic opinions in Taiwan. If we provide the Kuomintang with a chance to play double-dealing tactics, this is entirely against the interests of the Chinese people and the people of Taiwan.

4. We consider that democracy is the highest objective and transcends all others. Reunification can have practical value only on the premise that democracy is genuinely practiced. We do not think that it is truly beneficial to the people of Taiwan if democracy is sacrificed for the sake of reunification. If democracy should be infringed upon to any extent, in order to concoct a nominal reunification, it is possible that this will bring suffering to the ordinary people on both sides. We therefore consider that the realization of reunification should be based on the practice of democracy, and that any calls that relate to peaceful reunification should show consideration for the desire of the people of Taiwan for democracy.

5. In actual practice, we consider that the Chinese mainland should provide, on its own initiative, people from all walks of life in Taiwan with some channels to express their opinions, and that these channels should be totally open to all people who are concerned about the prospects of Taiwan and China. The Chinese people should be more active in understanding the condition of the people of Taiwan in all its aspects, including their living conditions, their understanding of democracy and everything about the various overseas political entities which are concerned about the prospects of Taiwan. This will make it possible to smash the blockade and suppression, by the Kuomintang, of the opinions of the people of Taiwan. As the Kuomintang will never allow the existence of channels that can truly reflect opinions, it is the greatest stumbling block to the exchange of opinions from both sides. Moreover, we consider that the Chinese people should be active in supporting the democratic movement in Taiwan and, at the same time, promote the development of a democratic movement within China.

The last, and also the most important, point is that in our discussions of the prospects of Taiwan, we should regard the people of Taiwan as the most important principal part, or the starting point in everything we say. We should not regard the undemocratic ruling stratum of the Kuomintang as a principal part.

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